



ASX ANNOUNCEMENT

ASX: CXO

27th September 2016

Key Finniss Tenements Granted

HIGHLIGHTS

- Two key 100%-owned Exploration Licences granted within Core's Finniss Lithium Project in NT
- Core now holds the largest lithium tenure position in the NT, including the highest grade lithium drill intersections
- First four recently drilled holes at Finniss have returned multiple broad zones of high grade lithium, confirming Finniss Project as a major new lithium discovery
- Results include:
 - 34m @ 1.60% Li₂O from 71m (FRC003), including:
 - 7m @ 2.02 % Li₂O from 79m
 - 4m @ 2.00% Li₂O from 93m
 - 3m @ 2.00% Li₂O from 101m
- Significant spodumene mineralisation has been observed at other prospects drilled by Core in its first RC drilling campaign at Finniss for which assay results are awaited
- The large Zola pegmatite identified by Core is contained within the new granted tenements, and will be targeted in the future given the very large scale potential of the Zola pegmatite
- Further lithium drill assays will be reported in the coming weeks



Core Exploration Ltd (ASX: CXO) (“Core” or the “Company”) is pleased to announce Core has been granted two key 100%-owned exploration licences (EL) covering 120km² within the Finnis Project (Figure 1).

With the granting of EL 31126 and EL 31127 (Figure 1), Core now holds the largest lithium tenure position in the NT, including the highest grade lithium drill intersections, the largest historic pegmatite mine and at least another 25 other recorded pegmatite mines in the Northern Territory.

Recent drilling results from the first four holes from the Company’s maiden lithium drilling program at the Finnis Lithium Project in the Northern Territory has confirmed Finnis, as a major new discovery of high grade lithium (ASX 23/09/2016).

The discovery of high grade zones of lithium with this current drill program is very significant for Core given the scale of some of the new pegmatites identified by the Company’s current field programs are directly comparable to the scale of pegmatites hosting large lithium resources in Western Australia. These include the Zola Pegmatite (ASX 23/06/2016) identified by Core on newly granted EL 31126 (Figure 2).

With the granting of this tenement, the Zola prospect will be a priority area for Core to target given its very large scale. The most important aspect of Zola is the scale. The outcrop of decomposed pegmatite and quartz blows extend for up to 1,500 m NS (abundant quartz in road-cutting to the north – Figure 3). Further background in respect of the Zola pegmatite was announced to ASX on 23 June 2016.

Core’s Finnis Lithium Project covers a large portion of the Bynoe Lithium-Tantalum-Tin Pegmatite field. The Bynoe Field is a 15-20 kilometre wide belt of more than 90 tin and tantalum prospects and mines and lithium rich pegmatites which stretches over a distance of 75 kilometres south from Port Darwin and is one of the most prospective areas for lithium in the NT.

Core’s Finnis Lithium Project has substantial infrastructure advantages being close to grid power, gas, and rail and services infrastructure and within easy trucking distance by sealed road to the multi-user port facility at Darwin Port - Australia’s nearest port to Asia.

Further lithium drill assays will be reported in the coming weeks

Core completed its initial 2,000m RC drilling program last week, which in addition to testing BP33, also tested a number of initial pegmatite drill targets on granted EL 29698 (Figure 2).

Preliminary results from these prospects indicate substantial spodumene mineralisation has also been intersected within broad pegmatite at a number of prospects.

The remaining assays from this RC drilling campaign are expected from the laboratory over coming weeks, and will be released to the market in due course.



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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. This report also references results reported in announcement 23/09/2016 “High Grade Spodumene Confirms Significant Lithium Discovery”.

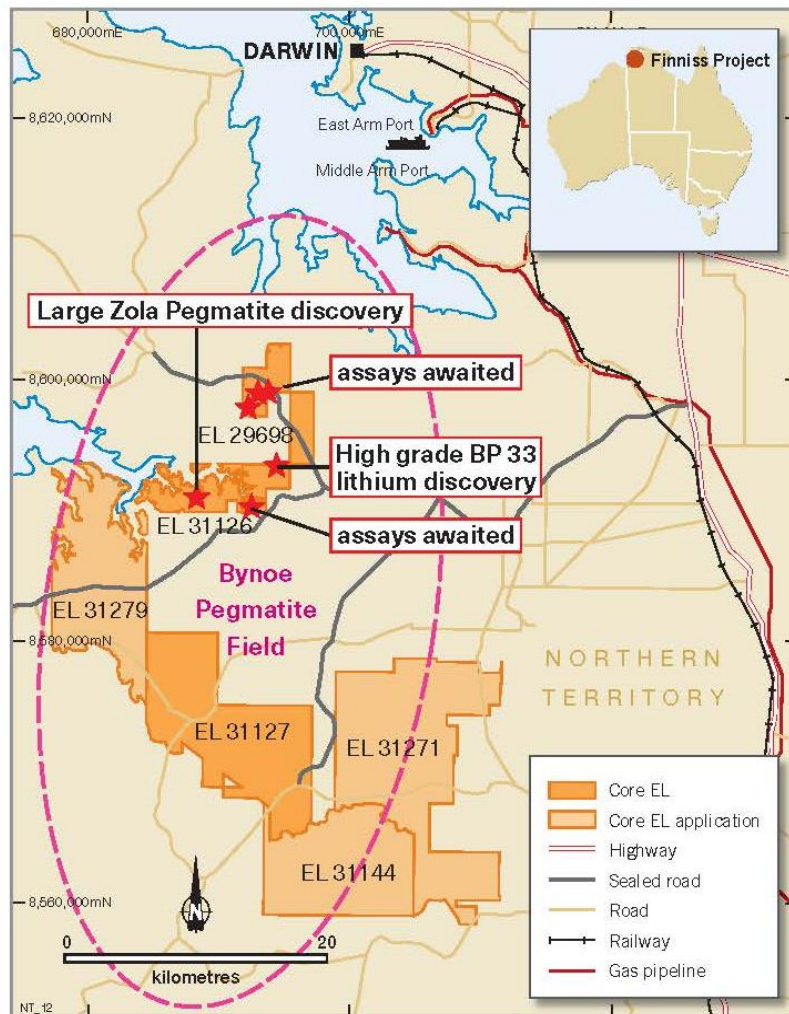


Figure 1. Finnis Lithium Project Tenements, Finnis Lithium Project, NT.

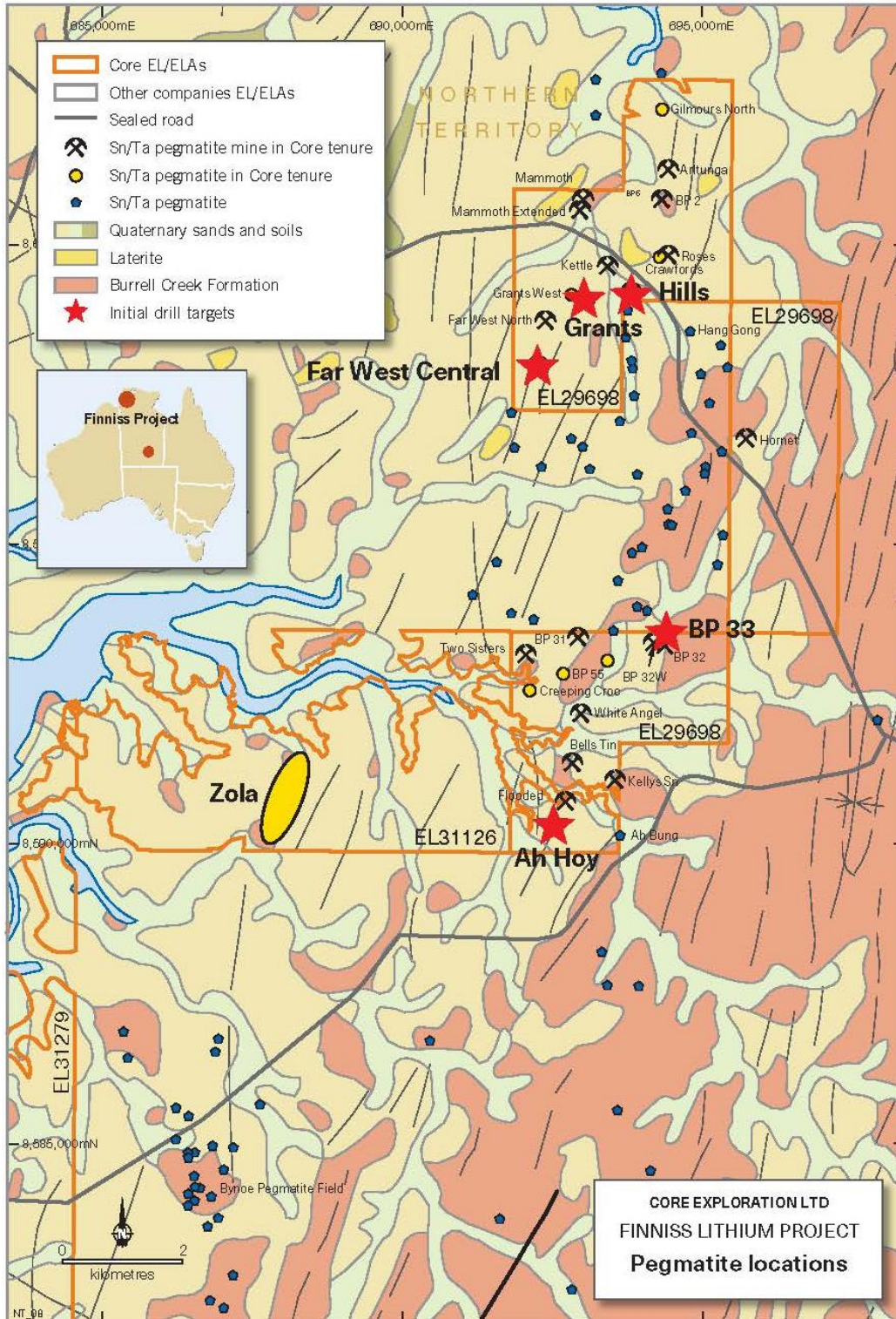


Figure 2. Initial drill target locations, Finnis Lithium Project, NT.

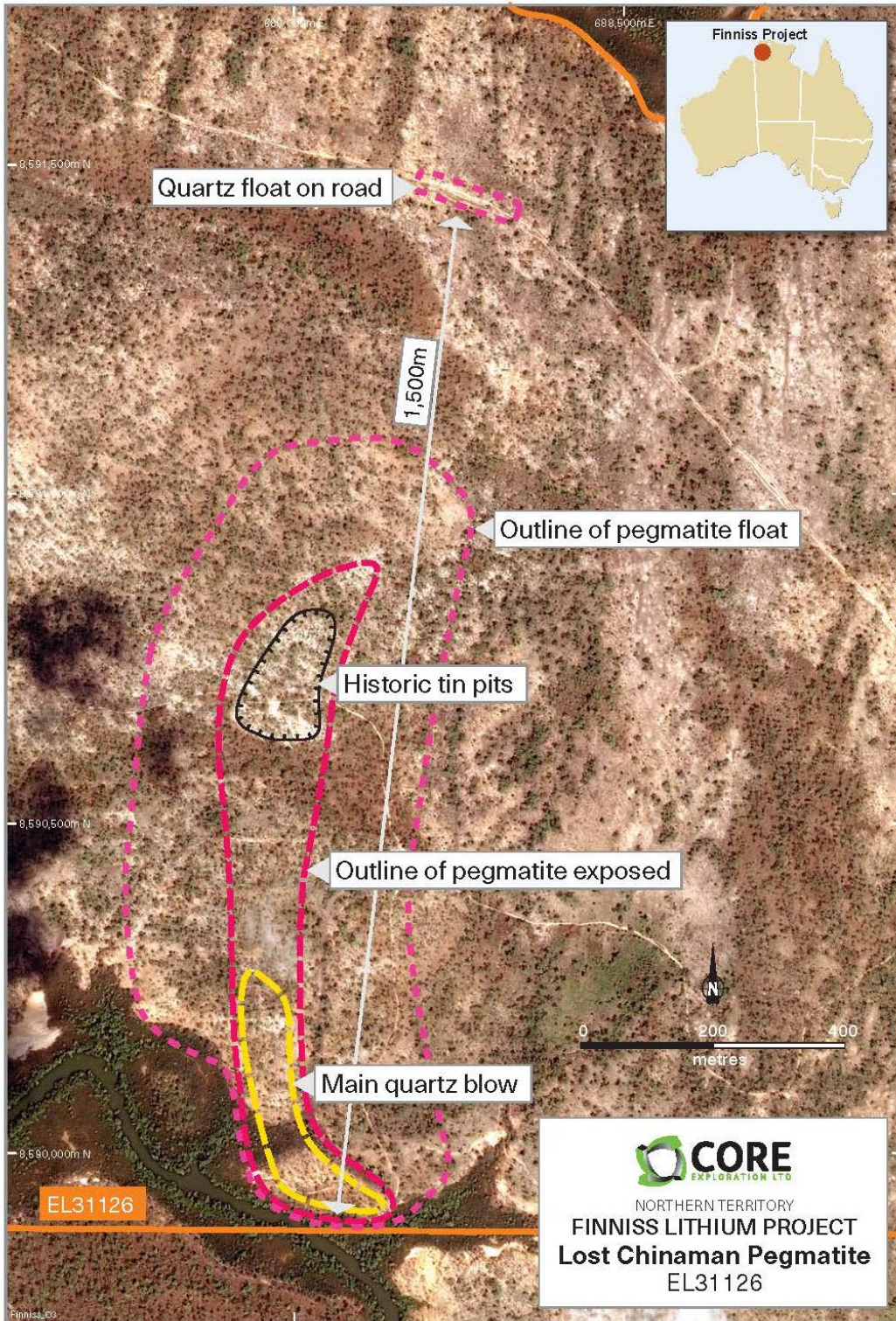


Figure 3. Preliminary Mapping, Zola Pegmatite on newly granted EL31126, Finniss Lithium Project, NT