



ASX ANNOUNCEMENT

ASX : CXO

3rd November 2016

Oversubscribed SPP Raises \$3 Million

Core Fully Funded to Accelerate its Activities at the Finniss Lithium Project

Core Exploration Limited (ASX: CXO and CXOOA) (“**Core**” or “**Company**”) advises that it has raised approximately \$3.0 million following the successful completion of its oversubscribed share purchase plan (“**SPP**”).

The oversubscribed SPP, together with the recent heavily oversubscribed placement which raised approximately \$9 million from professional and Australian and international institutional investors, reflects the significant new interest in Core following its recent high grade lithium discoveries at the Finniss Lithium Project (“**Finniss**”) near the port of Darwin in the Northern Territory.

Core’s cash position at 31 October 2016 was approximately \$10.0 Million, including funds raised by the SPP and recent placement.

Proceeds from the placement and the SPP will be used to immediately accelerate activities at the Finniss Lithium Project to build on the recent high grade lithium discovered with the first two pegmatites drilled by the Company. The accelerated program is already underway and includes follow-up diamond and RC drilling, as well as phase 2 RC exploration drilling at other high priority pegmatites at Finniss

High grade lithium drill intersections, including 49m @ 1.78% from 71m Li₂O (FRC007), as well as initial observations of diamond core from Finniss, show high grade lithium as spodumene is almost ubiquitous throughout the first fully-cored pegmatite drill intersection.

As a result, Core has immediately commenced preparation for large diameter HQ core to be sent for metallurgical test work to determine the potential to produce commercial grade spodumene concentrate.

Core has also appointed specialist engineering consultants Como Engineers to manage the proposed metallurgical testwork and provide early engineering advice on Finniss. Como Engineers have an excellent track record with previous successful input to both Pilbara



Minerals Ltd's Pilgangoora Lithium Project and Galaxy Resources Ltd's Mt Caitlin Lithium Project.

Finniss' close proximity to existing infrastructure and port with spare capacity near Darwin are all key cost advantages that provide strong potential for Core to move product to market quickly should feasibility studies support development.

An Appendix 3B seeking quotation of the shares is attached to this announcement.

Core's Managing Director, Stephen Biggins said:

"We are extremely pleased with the support shown from our existing shareholders in the SPP. With close to \$10m cash at bank and an aggressive drilling program currently underway, Core is well placed to capitalise on the huge potential of the Finniss Lithium Project which we believe has the grade, potential scale and infrastructure to be compared with some of the best lithium projects under development in Australia."

For further information please contact:

Stephen Biggins

Managing Director

Core Exploration Ltd

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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 exploration results that have previously been released under JORC 2012 by Core as "Highest Grade Spodumene Intersections Ever Drilled in the NT" (3/10/16).

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Core Exploration Limited

ABN

80 146 287 809

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary shares (CXO) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 32,861,263 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

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4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	Yes
	<p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	9 cents per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Per share purchase plan announced on 12 October 2016.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 October 2015
6c	Number of +securities issued without security holder approval under rule 7.1	None

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	None							
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	None							
6f	Number of +securities issued under an exception in rule 7.2	32,861,263 - exception 15.							
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable							
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A - complete Annexure 1 and release to ASX Market Announcements	<p>Rule 7.1 - 4,942,989</p> <p>Rule 7.1A - Nil</p>							
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	3 November 2016							
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">372,863,991</td> <td>Ordinary shares</td> </tr> <tr> <td style="text-align: center;">114,772,959</td> <td>Options exercisable at 5.00 cents on or before 31 August 2017</td> </tr> </tbody> </table>	Number	+Class	372,863,991	Ordinary shares	114,772,959	Options exercisable at 5.00 cents on or before 31 August 2017	
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372,863,991	Ordinary shares								
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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	1,000,000	Options exercisable at 10.00 cents on or before 31 January 2017
	4,000,000	Performance rights
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	As per all other securities	

Part 2 - Pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	
18 Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

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- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

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Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 3 November 2016
Company secretary

Print name: Jaroslaw (Jarek) Kopias
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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	174,664,295 ordinary shares
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>154,688 ordinary shares issued on 19 January 2016 approved by shareholders at a general meeting held on 8 April 2016.</p> <p>12,500 ordinary shares issued on 23 February 2016, 1,000,000 ordinary shares issued on 30 September 2016 and 92,000 ordinary shares issued on 31 October 2016 under listing rule 7.2, exception 4.</p> <p>43,511,385 ordinary shares issued on 25 February 2016 approved by shareholders at a general meeting held on 8 April 2016.</p> <p>52,585,715 ordinary shares issued on 27 April 2016 approved by shareholders at a general meeting held on 18 August 2016.</p> <p>32,861,263 ordinary shares issued on 3 November 2016 under listing rule 7.2, exception 15.</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	304,881,846

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	45,732,276
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>1,086,957 ordinary shares issued on 29 August 2016.</p> <p>39,702,330 ordinary shares issued on 13 October 2016.</p>
“C”	40,789,287
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	45,732,276
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	40,789,287
Total [“A” x 0.15] – “C”	4,942,989 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	304,881,846
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	30,488,184
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	27,192,858 ordinary shares issued on 13 October 2016.
“E”	27,192,858

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Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	30,488,184
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	27,192,858
Total [“A” x 0.10] – “E”	Remaining capacity is nil as greater than 12 months from 2015 AGM. <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.