



ASX ANNOUNCEMENT

ASX: CXO

20th November 2017

Bynoe Lithium Project Drilling Update

HIGHLIGHTS

- Core's first round of RC and RAB drilling continuing on high grade lithium targets within the recently acquired Bynoe Lithium Project near Darwin
- The Bynoe Lithium Project contains a large number of untested, highly prospective lithium pegmatite targets, including over 50 historic pegmatite prospects and small-scale Sn-Ta mines
- Previous drilling has confirmed widespread spodumene-related lithium mineralisation in numerous pegmatites at Bynoe
- Drilling will focus on proven lithium pegmatite targets that have been mined previously for tin and tantalum, previous drill intersections greater than 1% Li₂O and potential economic volumes of spodumene pegmatite
- Broad zones of ore grade pegmatite have already been discovered at other prospects targeted for drilling including Sandras prospect (42m@1.0% Li₂O)
- Initial results from BP33 prospect are highly encouraging, returning the widest spodumene bearing intersection drilled to date (refer ASX release 16 November 2017)
- Most recent drillhole at BP33 (FRC105) intersected pegmatite to EOH on southern extension
- Diamond drilling to commence at BP33 next week in follow-up to exciting new drill results

Core Exploration Ltd (ASX: CXO) ("Core" or the "Company") is pleased to provide the following update on its recently commenced exploration drilling on lithium pegmatite targets within the Company's newly acquired Bynoe Lithium Project tenements near Darwin in the NT. The Bynoe Lithium Project is located immediately adjacent to Core's high-grade lithium resource at the Grants deposit within the Finniss Lithium Project.



The Company is targeting a number of high grade lithium pegmatite drill targets with this latest drill campaign. Targets are based on Core’s previous exploration programs and an assessment of previous drilling intercepts above 1% Li₂O over the project area (including 42m @ 1.0% Li₂O at Sandras (LTR: ASX 2/11/2016)).

The drill program will also focus on proven lithium pegmatite targets based on areas that have been mined previously for tin and tantalum (Sn-Ta) along with pegmatite swarms that have potential to represent economic volumes of spodumene pegmatite.

Targets to be tested by the 4,000m RC drilling program include Sandras, Lee’s, Booth’s, Hang Gong and Carlton. A number of these prospects are situated within an existing granted Mineral Lease (ML) which will expedite any commercial discovery into production.

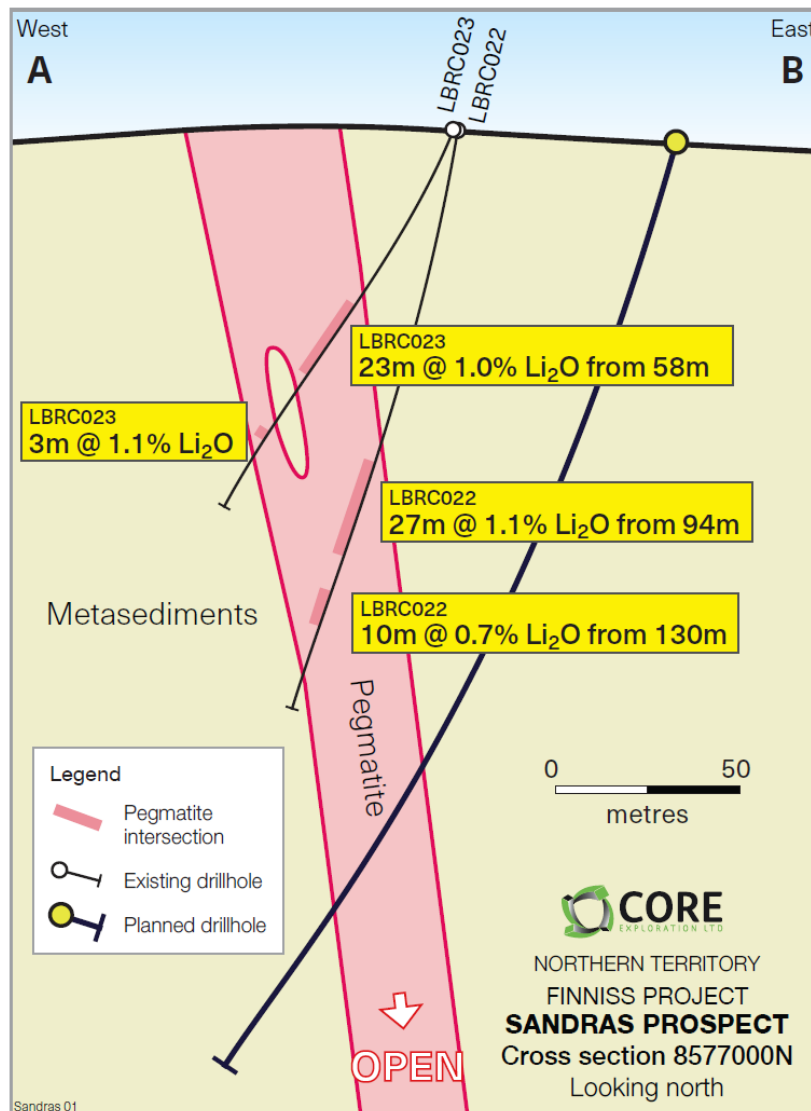


Figure 1. Drill section at Sandras



Core’s RC drilling program has now commenced at the Sandras target. The high priority Sandras pegmatite target was previously drilled by Liontown Resources, and includes lithium drill assays up 4.09% and broad intersections of mineralisation above 1% including 42m @ 1% Li₂O (Figures 1 & 2).

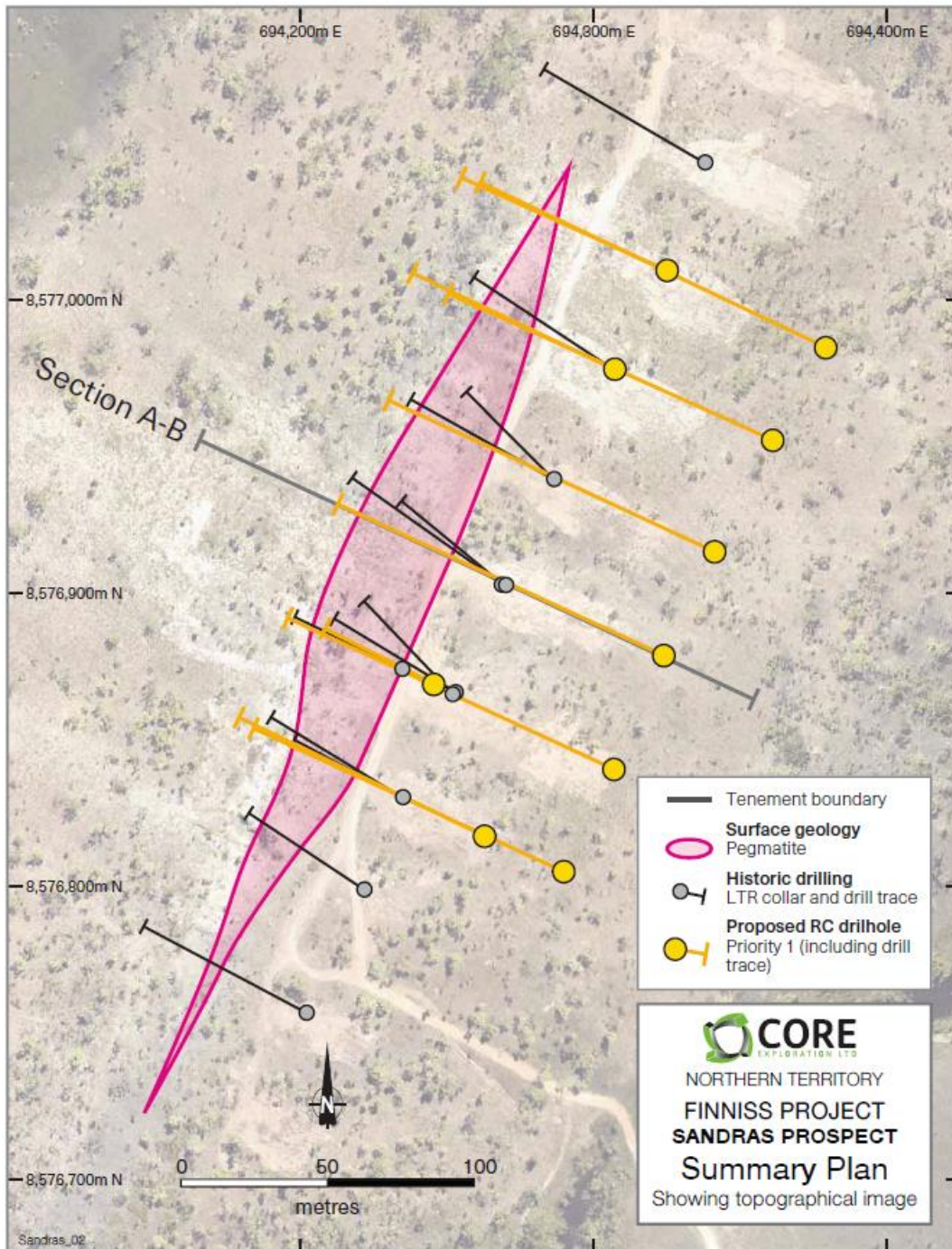


Figure 2. Sandras Drill Plan



In addition to the proposed RC program, Core also has commenced a shallow RAB drilling program aimed at discovering and refining new targets in the region. RAB drilling has commenced at the Hang Gong Prospect to better define distribution and geometry of multiple pegmatites in and around one of the largest historic tantalum pegmatite mines in the NT.

Exploration RC and RAB drilling will continue on the Bynoe and Finniss Lithium Projects until the end of the field season during December with final assays results typically expected approximately four weeks after the completion of drilling.

Follow-up Diamond core drilling to commence at BP33

The initial results from recent RC drilling has confirmed that the BP33 spodumene pegmatite is open along strike both to the north and to the south and is thicker at depth than expected.

Most recent RC Drillhole FRC105 has now confirmed that BP33 is also open to the south. Drillhole FRC105 targeted the southern extension of BP33 and intersected pegmatite to end of hole (EOH), where 8m of pegmatite was intersected from 116m to the EOH at 124m before drilling problems caused the hole to terminate (Figure 3).

Diamond drilling is planned to commence next week at BP33 to follow-up the recent exciting RC drill results. The RC drill rig has had difficulty with drilling at BP33 to required depths and a diamond rig has the both the capacity to drill to target depths and importantly the diamond core can provide information that can be used potentially for metallurgical testwork and resource evaluation at BP33.

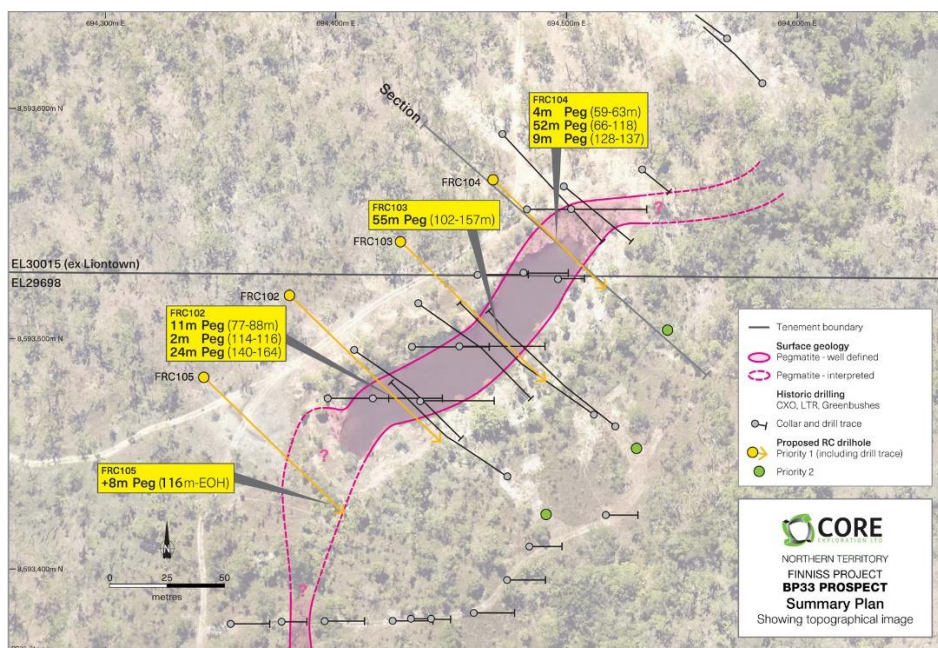


Figure 3. Drill locations and recent pegmatite drill intersections, BP33 Pegmatite.



Grants Pre-Development Activities

At the Grants Lithium Deposit, infill RC and Diamond drilling is expected to commence in December and will continue into 2018 with the aim of upgrading the Grants Mineral Resource to higher confidence categories. The upgraded, higher confidence JORC resource will then form the basis on which the Grants Feasibility Study will be undertaken.

A program of geotechnical drilling is also planned at Grants for feasibility mine design studies.

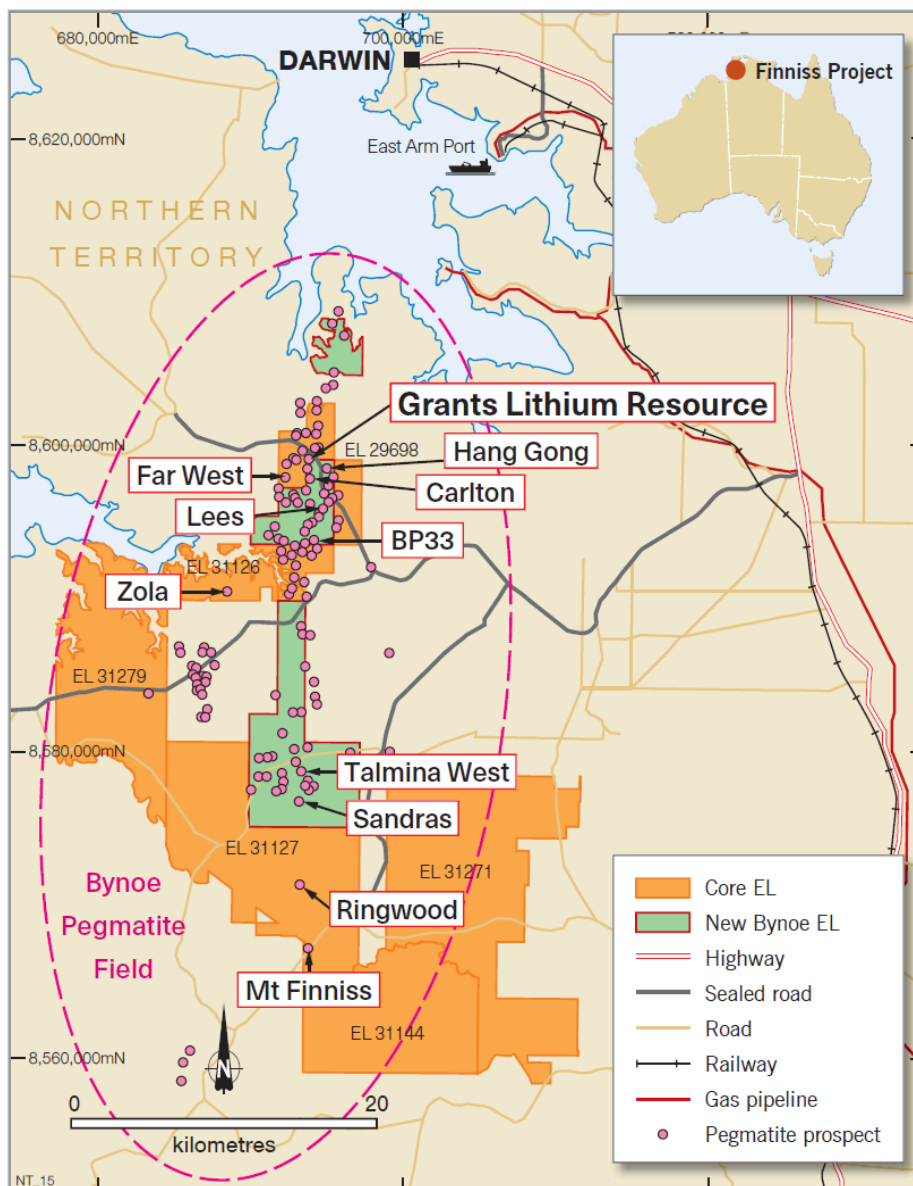


Figure 4. Pegmatite prospects within the Finniss and Bynoe Lithium Projects near Darwin, NT



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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. This report also includes results that have previously recently been released under JORC 2012 on 16/11/2017 "Widest Spodumene Pegmatite Intersections at BP33" and by Liontown Resources Ltd (ASX:LTR) on 2/11/2016 "Initial Assays from Second Phase of Drilling at Bynoe Lithium Project Confirm Extensions to Sandras Prospect".