CORE
EXPLORATION LTD

2018
ANNUAL REPORT

MINERAL RESOURCE STATEMENT

Finniss Lithium Project (Northern Territory)

2018 Mineral Resource Summary

RESOURCE CATEGORY	TONNES	Li_2O (%)	CONTAINED Li_2O (t)
Grants Indicated	1,130,000	1.5	17,000
Grants Inferred	900,000	1.4	13,000
BP33 Inferred	1,420,000	1.4	20,000
Total	3,450,000	1.4	50,000

2017 Mineral Resource Summary

RESOURCE CATEGORY	TONNES	Li_2O (%)	CONTAINED Li_2O (t)
Grants Indicated	492,000	1.5	7,000
Grants Inferred	1,312,000	1.5	20,000
Total	1,804,000	1.5	27,000

The information in this report that relates to Estimating and Reporting of the 2017 Mineral Resource summary has been approved by and is based on and fairly represents information and supporting documentation prepared by David Billington (BE), a full-time consultant with Mining Plus 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 Billington 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 has been approved by and is based on and fairly represents, information and supporting documentation prepared by Dr Graeme McDonald as it relates to the 2018 Mineral Resource Summary. The information in this release that relates to the Estimation and Reporting of Mineral Resources has been compiled by Dr Graeme McDonald. Dr McDonald acts as an independent consultant to Core Exploration Limited on the Grants and BP33 Mineral Resource Estimation. Dr McDonald is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience with the style of mineralisation, deposit type under consideration and to the activities 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" (The JORC Code). Dr McDonald consents to the inclusion in this report of the contained technical information relating to the Mineral Resource Estimation in the form and context in which it appears.

The information related to the Grants Lithium Mineral Resource Estimate at the Finniss Lithium Project was detailed in the market announcement "Core Defines First Lithium Resource in the NT" released on 8 May 2017 and updated in the market announcement "Grants Lithium Resource Upgrade" on 8 May 2018.

Core confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the announcements "Grants Lithium Resource Upgrade" dated 8 May 2018 and "Maiden Resource Estimate at BP33" dated 23 May 2018 continue to apply and have not materially changed. The Mineral Resources underpinning the production target have been prepared by a Competent Person in accordance with the requirements of the JORC code.

Core confirms that all material assumptions underpinning production target and forecast financial information derived from the product target announced on 25 June 2018 continue to apply and have not materially changed.

Core's Mineral Resource inventory at 30 June has increased significantly from that reported at 30 June 2017. During the year, through successful drilling, the Grants indicated Mineral Resource increased from 492,000 tonnes to 1,130,000 as well an increase in overall tonnes at Grants. Additionally, Core announced a Mineral Resource at the BP33 prospect. The changes increased Core's total Mineral Resource inventory by over 90%.

The Company ensures that all Mineral Resource estimates are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed by an independent competent qualified geologist. Core relies on drilling results from accredited laboratories in providing assay results used to estimate Mineral Resources. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource estimates are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons. The Company reports its Mineral Resources on an annual basis in accordance with JORC Code 2012.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared 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.

Core confirms that it is not aware of any new information or data that materially affects the Exploration Results included in this announcement released under JORC 2012 as listed.

11/04/2018	Outstanding wide and high-grade lithium intersection at BP33
28/09/2017	Lithium potential of the Barrow Creek Project confirmed
26/11/2015	Zinc grades confirm significant system at Yerelina
23/11/2015	Jervois reconnaissance drill results exceed expectations
21/10/2015	Second zone of breccia and veining intersected at Yerelina
12/10/2015	Drilling intercepts mineralised breccia zone at Yerelina
07/07/2015	Large zinc and lead anomaly targeted at Yerelina
16/06/2015	Further zinc mineralisation found at Yerelina
04/06/2015	Jervois Domain modelling identifies strong geophysical targets
16/06/2015	Further zinc mineralisation found at Yerelina
02/06/2015	10m wide gossan found at Yerelina Zinc Project
13/05/2015	Multiple drill targets Identified at Jervois Domain, NT
05/05/2015	New zinc target identified at Black Gate Prospect
03/11/2014	New intersections extend mineralisation at Inkheart, NT
21/10/2014	Additional silver lead mineralisation discovered at Inkheart
17/06/2014	High grade silver lead intersections from maiden drilling program at Albarta Project, NT
10/09/2013	Highest ever silver grades at Blueys Prospect, NT

This report also includes exploration information that was prepared and first disclosed by Core under the JORC Code 2004. The information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The information in all previous announcements is based on and fairly represents information and supporting documentation prepared by Mr Stephen Biggins as the Competent Person and who provided his consent for all previous announcements. The Company is not aware of any new information or data that materially affects the information included in this announcement.

Contents

This Annual Report covers Core Exploration Ltd ("Core" or the "Company") as a Group consisting of Core Exploration Ltd and its subsidiaries, collectively referred to as the "Group". The financial report is presented in the Australian currency.

Core is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Core Exploration Ltd
Level 1, 366 King William Street

ADELAIDE South Australia 5000

Corporate information

Core Exploration Limited ACN 146 287 809

DIRECTORS

Greg English
Non-executive Chairman

Stephen Biggins
Managing Director

Heath Hellewell
Non-executive Director

CFO/COMPANY SECRETARY

Jaroslaw (Jarek) Kopias

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Chairman's Letter

Dear Shareholder,

I am pleased to report that we have made substantial progress toward our goal of becoming the Northern Territory's first, and Australia's next, lithium producer. We have made considerable progress at Finniss and are now at the stage where subject to finance and the grant of all remaining government approvals, the construction of the mine is expected to commence in late 2019.

Key achievements for 2017/18 were:

- Application for a Mining Lease at Grants lodged in October 2017.
- Signing of binding offtake, share placement and prepayment agreement with Ya Hua International Investment and Development Co. Ltd, a wholly owned subsidiary of Shenzhen stock exchange listed Sichuan Yahua Industrial Group Co., Ltd.
- Acquisition of additional tenements and prospects at Finniss.
- Continued drill success at Grants and BP33 which led to a doubling of resources at Finniss.
- Pre-Feasibility Study released in June 2018.

Since our last annual report, Core's primary focus has been the efficient and aggressive development of the Company's Finniss Lithium Project. The development of the Finniss project has now accelerated to the point where subject to finance and expected grant of the requisite government approvals, construction of the mine can commence in late 2019.

With a relatively short construction period, the first production from the Grants mine is planned to occur in late 2019. The mining operations at Grants will be simple open cut with simple on-site processing. Finniss will become the Northern Territory's first lithium mine and with its close proximity to Asia, makes Finniss an ideal project.

The exponential growth in battery storage, in particular electric vehicles, gives us the confidence to proceed with Finniss and become Australia's next lithium miner. Data, analysis and commentary predicts lithium demand and prices to remain strong during the proposed life of the Grants project.

As was highlighted in last year's review, we only started drilling at Grants in August 2016. For us to go from a standing start in August 2016 to a proposed working mine at the end of 2019 is a remarkable achievement. There would be very few mining operations in Australia that have gone from first discovery to operations in just over 3 years. This achievement is a testament to the hard work of the team at Core.

Whilst mining at Grants is expected at the end of next year, our work at Finniss is far from over. We are having continued drill success at BP33 and elsewhere on the Finniss tenements and the race is on to discover and develop new mines to complement Grants. It is exciting times ahead.

The Core team has grown over the past year and we are confident that we have the right team in place to develop Finniss on time and on budget.

The increase in activity at Finniss during the year meant that the Company needed to raise funds during 2017/18 and we thank our shareholders for their support of the recent Share Purchase Plan.

Next year will be a transformational year for the Company as we move from a lithium explorer to lithium miner toward the end of 2019 and we look forward to taking this journey with our shareholders, staff, offtake partners and relevant stakeholders.

Greg English
NON-EXECUTIVE CHAIRMAN


SPILL KIT

LITHIUM PROJECTS

FINNISS LITHIUM PROJECT

Northern Territory

CXO 100%

Core has taken a major step forward in its goal to become a major Australian lithium producer through the delivery of the Pre-Feasibility Study (PFS), which seeks to unlock a new lithium province near Darwin in the Northern Territory.

Core's development of the Finniss Lithium Project is initially centred on production from the high-grade Grants deposit as an open pit mining operation, and construction of a simple 1Mtpa DMS process plant that will produce a high quality spodumene concentrate for export.

The high grade of Grants, when coupled with the low capital and operating costs, results in a development capable of delivering excellent cash generation. The strong cash surplus will ensure Core is well placed with a first-mover advantage in this exciting new lithium province and lays solid foundations for the building of a long-term lithium production hub.

Existing road infrastructure will provide access for daily road train movements of concentrate product to the Darwin Port for shipment which is located 88km from the project area. The Project also has other substantial infrastructure advantages, including being close to grid power, gas and rail infrastructure and being less than a 1-hour drive from the skills, trades, workshops and services in suburban Darwin.

Key PFS Outputs

The PFS clearly demonstrates the Finniss Project economics to be compelling, with globally competitive cash costs that result in high operating margins and rapid capital payback. Key outputs include:

Table 1 - Key PFS Outputs

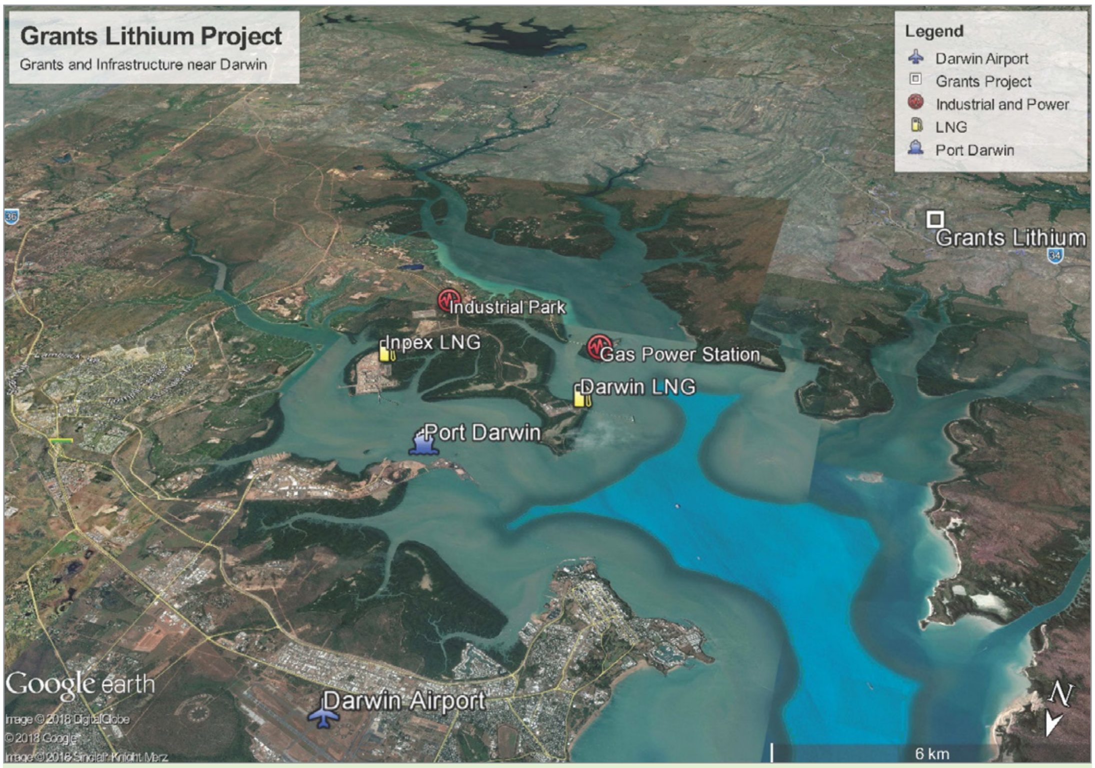
KEY MEASURE	1Mtpa DMS PLANT
Project revenue	A$346 million
LOM EBITDA	A$168 million
Pre-production capital	A$53.5 million (incl. 15% contingency)
Average operating cost over LOM	US$279/t (including royalties) (A$372/t)
Initial life of mine	26 months (Grants deposit only)
Concentrate production over LOM	400,083 tonnes grading 5% Li_2O
NPV_{10} (pre-tax)	A$140 million A$246 million at US$895/t concentrate price
IRR	142% 202% at US$895/t concentrate price
Payback period	12 months

Unless otherwise stated, all figures above assume a life of mine concentrate sales price of US$649/t concentrate, and a USD/AUD exchange rate of 0.75.

The June 2018 PFS confirms Grants as a financially viable operation, with high revenue to be generated over the life-of-mine, at a strong operating margin based on a conservative average life of mine sale price. Even higher operating margin in the event sales prices closer to the current spot price of US$895/t concentrate can be achieved. These strong operating margins provide for a rapid payback period of less than 12 months.

The strong free cash generation as outlined in the PFS of the Finniss Project development for mining only the Grants deposit (as defined at June 2018), is expected to enable Core to be self-funding on future development opportunities within the Finniss Project.

Expansion of the current resources at Grants and BP33, along with the additional resource from the highly prospective Bynoe Pegmatite Field, has the potential to substantially extend the mine life and cashflows considered in the initial PFS that was focussed on the development of the Grants resource as defined June 2018.



Aerial view of Darwin, the Port of Darwin and the Grants Lithium development.

LITHIUM PROJECTS

The low capex and opex of the project reflect the high-grade orebody at Grants with the simple process flowsheet based on the construction of a new 1Mtpa Dense Media Separation ("DMS") plant. Highly effective "gravity only separation" results in a relatively low capital cost estimate, and reduced commissioning risk relative to some peer spodumene concentrate operations that require additional capital costs associated with flotation circuits.

Based on the positive outcomes of the Pre-Feasibility Study ("PFS"), the Core Board has resolved to immediately progress to a Definitive Feasibility Study ("DFS") on Grants. The DFS is expected to be delivered later in 2018, allowing for a development decision in early 2019 and rapid transition to construction and production status during 2019 as a result of the simple, low technical risk operation.

Completion of the PFS now paves the way for the Company to advance its offtake and financing discussions, and project permitting to ensure Core is positioned to commence development and construction in 2019, targeting delivery of spodumene concentrate to customers by the end of the 2019 calendar year.

In parallel with the DFS, permitting, offtake and financing discussions, Core is maintaining an aggressive regional exploration campaign focused on growing the resource base of the Finniss Lithium Project to support a long-life mining operation.

PFS– Key Project Statistics

Table 2 - Key Project Statistics

PROJECT STATISTICS	UNITS	DMS
Mining Mining method / LOM	months	Conventional open pit / 26 months
Total mined	bcm	9,565,068
Waste mined	bcm	8,920,762
Ore mined	bcm / t / % Li_2O	644,306 / 1,778,283 / 1.48%
Strip ratio	W:O	13.8 : 1
Processing **Engineered DMS Plant** Feed	t	1,778,283
Li_2O head grade	%	1.48%
Recovery	%	76%
DMS output	t	400,083
Li_2O bene. grade	%	5.0%
Nameplate capacity	tpa	225,000
Road Haulage Tonnes / payload / trucks per day	t / t / #	400,083 / 95 / 10
Shipping Shipped	t	400,083
Nominal vessel size & shipping frequency	t and #	15,000 to 25,000 t & 1 per month
Financials Exchange rate	US:AU	0.75
Price (average price over LOM)	$/t	US$649 / t of 5.0% conc.
Revenue	AU$M	$346
Royalties	AU$M	$28.95
Total capital costs (incl. pre-production)	AU$M	$53.55 (incl. 15% contingency) Includes $24.39 pre-strip costs
Operating costs Per t concentrate (incl. royalty)	US$t conc. AU$/t conc.	$279 $372
Cashflow Total generated / peak outflow	AU$M	$168 / $49
Project valuation NPV_{10}	AU$M	$140 (US$649/t sales price) $246 (US$895/t sales price)

Project Overview

LITHIUM PROJECTS

GRANTS LITHIUM RESOURCE

EL29698, Northern Territory

100% CXO owned

A conventional approach to open pit mining is proposed.

The Grants Lithium Project, located near Darwin in the Northern Territory, is one of the highest grade spodumene resources in Australia, containing a Mineral Resource of 2.03Mt @ 1.5% Li_2O.

The high-grade Grants lithium deposit is supported by one of the best logistics chain to China of any Australian lithium project. Focused drilling and metallurgical studies at the deposit have defined an orebody with the potential to produce high-grade lithium products that suit commercial end users.

Results from this PFS have highlighted the strongly positive outcomes for the potential development of Grants, suggesting a strong case for a standalone 1Mpta Dense Media Separation (DMS) concentrate production and export operation.

The Project has substantial infrastructure advantages; being close to a population centre capable of providing the labour for the Project and within easy trucking distance by sealed road to the East Arm Port – Australia's nearest port to Asia.

The key components of the Project are summarised below:

- Mining of the high-grade spodumene pegmatite deposit using simple open pit drill and blast mining methods over a life of mine of approximately two years;
- Transfer of the spodumene pegmatite ore to a Run of Mine (ROM) pad located adjacent to the open pit;
- Water-based DMS to produce a high quality spodumene (lithium) concentrate product; and
- Transport of the lithium concentrate product to Darwin Port by sealed public road for overseas export.

GRANTS LITHIUM RESOURCE

The Grants Lithium Resource estimated at 2.0Mt at 1.5% Li_2O is one of the highest grade spodumene resources in Australia. Grants is located within Core's large ground holding over one of Australia's significant spodumene pegmatite fields near Darwin in the Northern Territory (Finniss Lithium Project). Core has an excellent geoscientific dataset and a well-resourced exploration team focused on further discoveries.

Table 1 Mineral Resource summary for the Finniss Lithium Project (0.75% Li_2O cut-off).

RESOURCE CATEGORY	TONNES	Li_2O%	Contained Li_2O (t)
Grants Indicated	1,130,000	1.5	17,000
Grants Inferred	900,000	1.4	13,000
BP33 Inferred	1,420,000	1.4	20,000
Total	3,450,000	1.4	50,000

Drilling by Core between 2016-2018 at the Grants Lithium Deposit for the current Mineral Resource Estimate totalled 54 drill holes for 6,668m, comprising 36 reverse circulation (RC) drill holes, 14 DD drill holes. Holes were drilled at angles of between 55^0 and 60^0 either due east or west with a small proportion drilled vertically.

Fresh pegmatite at Grants is composed of coarse spodumene, quartz, albite, microcline and mica. Spodumene, a lithium bearing pyroxene ($LiAl(SiO_3)_2$), is the predominant lithium bearing phase and displays a diagnostic red-pink UV florescence. The pegmatite is not strongly zoned, apart from a thin (1-2m) quartz-mica-albite wall facies. Overall, the lithium content throughout the pegmatite is remarkably consistent.

LITHIUM PROJECTS

MINING

Contract mining services are proposed for the mining operation. Mining is expected to be straightforward conventional open pit mining utilising standard drill and blast and conventional excavator and truck fleet. There is very little groundwater and geotechnical conditions are not problematic.

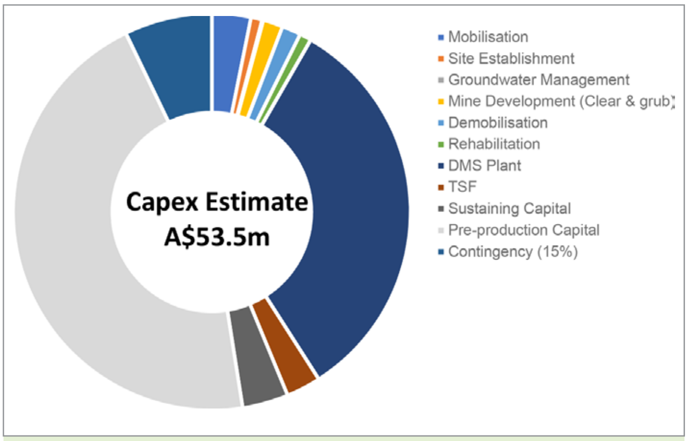
Mining will be focused on delivering sustainable ore quantities to the ROM pad. Crushing and screening or processing of the delivered ROM ore will produce product ready for haulage to the Port of Darwin.

PROCESSING

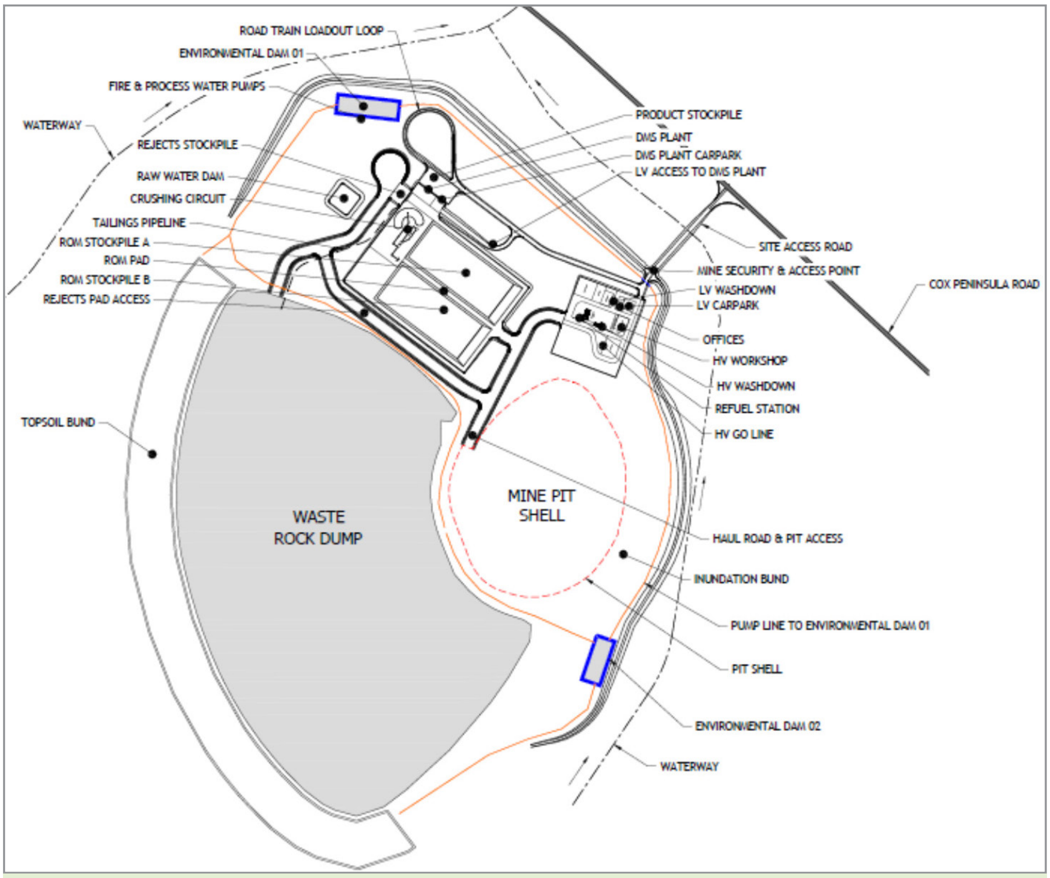
An initial metallurgical test work program for Grants was undertaken in 2017 and a full metallurgical test work program in support of the proposed Feasibility Study is currently underway. At the time of compiling this PFS, preliminary results from the Feasibility Study test work program were available.

As a result of the test work conducted to date, the following flowsheet is proposed:

- Feed preparation by conventional tertiary crushing circuit followed by fines removal.
- Coarse spodumene concentrate generated by Dense Medium Separation (DMS) with middlings stream stockpiled for possible future recovery through other methods and throwaway tail
- Because of the low mica content of the spodumene ore (<23%), the use of a reflux classifier has demonstrated limited mica removal benefit. However, this continues to be assessed in the Feasibility Study test work program.
- Thickening of tailings for disposal.



Finniss PFS capital costs.



Proposed site layout - Grants Deposit.

LITHIUM PROJECTS

IMPROVING METALLURGY AND RECOVERIES

Strongly positive updates on metallurgical results achieved since the release of the Pre-Feasibly Study (PFS) are expected to further enhance the robust economics demonstrated by the PFS.

Recent metallurgical test work on core from the Grants deposit has delivered outstanding results and supports the business case for saleable concentrate from a simple DMS plant designed to use a gravity only circuit.

High grade 5.5% lithium concentrate was produced at an elevated recovery of 79% in new metallurgical testwork for the design of a simple gravity separation plant using industry standard Dense Media Separation (DMS).

These new results significantly improve on the results of the preliminary testwork conducted in 2017 that were utilised in the recent PFS assumptions, based on producing a 5.0% Li_2O concentrate at 76% recovery (see Table 1).

6.1% Li_2O concentrate was also produced at good commercial recoveries of 69% using DMS at the same sizing in the recent testwork. Ongoing testwork will be further refined over coming months with the aim of optimisation of the production of higher concentrate grades to be considered in the Feasibility Study later this year.

Table 1 Comparison of new improved results with previous PFS results (ASX 25/06/2018).

	PFS	NEW RESULTS	
SIZE	P100 -6.3MM +0.5MM	P100 -5.6MM +0.5MM	
Concentrate grade (Li_2O)	5.0%	5.5%	6.1%
Recovery	76%	79%	69%

Test work Comp P100 5.6mm +0.5mm DMS100 SG 2.9 Overflow P100 3.35mm +0.5mm DMS100 SG 2.9 Underflow

Test work Comp P100 5.6mm +0.5mm DMS100 SG 2.9 Overflow P100 3.35mm +0.5mm DMS100 SG 2.9 Overflow

Test work Comp P100 5.6mm +0.5mm DMS100 SG 2.9 Overflow P100 3.35mm +0.5mm DMS100 SG 2.7 Overflow

DMS testwork.

LITHIUM PROJECTS

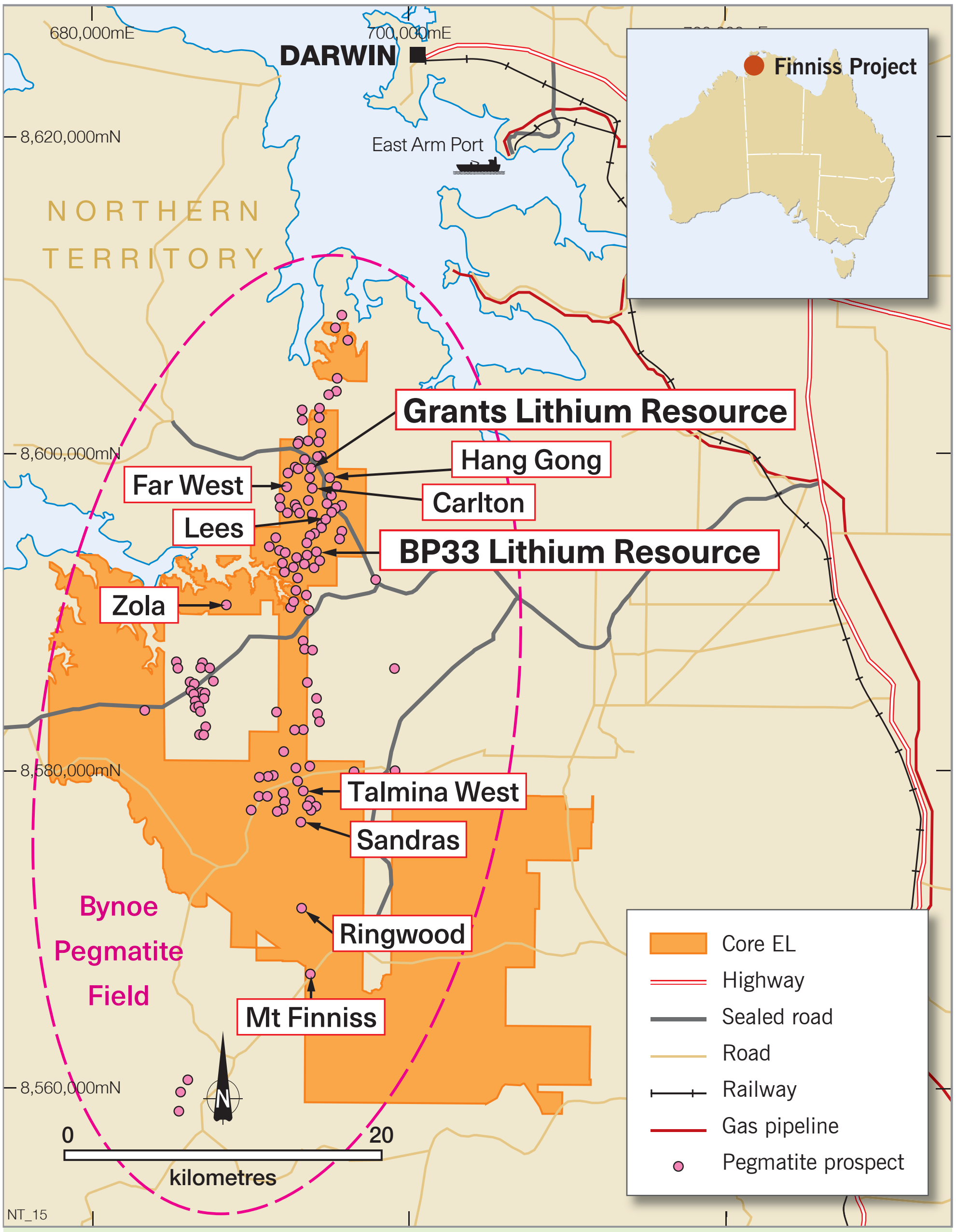
BP33 RESOURCE

The Maiden Mineral Resource estimate defined by drilling to date within the BP33 Prospect, comprises an Inferred Resource of 1.4Mt at 1.40% Li_2O and this grows the total Mineral Resources at Finniss to 3.45Mt @ 1.4% Li_2O.

The potential to expand the maiden BP33 Mineral Resource is considered high as the resource is currently extended only 20m south of drill intersection of 75m @ 1.68% Li_2O) at the southern end of BP33.

Resource extension and exploration drilling at BP33 is testing directly south of this outstanding high-grade lithium drill intersection.

Infill drilling at BP33 since the maiden resource is also aimed at increasing the resource confidence level at BP33.



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

LITHIUM PROJECTS

FINNISS LITHIUM PROJECT REGIONAL EXPLORATION

Recent exploration drill results from Carlton and Hang Gong, which are located on mining tenure located within 1.5km from the Grants Lithium Deposit, that demonstrate the significant potential to expand and define substantial additional lithium resources at the Finniss Lithium Project in the Northern Territory ("Finniss") through exploration drilling.

The Finniss Lithium Project comprises over 500km^2 of granted tenements near Darwin over the Bynoe Pegmatite Field. Results have confirmed that ore grade lithium mineralisation is widespread within the Finniss Project and Core's drilling in 2018 is aimed at substantially growing the Mineral Resource base to underpin a potential long-life lithium mining and production operation.

Exploration results demonstrate the huge potential of the Finniss Lithium Project that Core is yet to realise. The remainder of 2018 is shaping up to be a very busy one for Core as we continue to progress Grants towards development whilst continuing drilling to grow the existing resource base at Grants and BP33 as well as maintaining an aggressive exploration program to continue to identify prospects such as Carlton and Hang Gong.

Regional exploration prospects are planned to be RC drilled include Carlton, Hang Gong, Booths, Lees and Sandras and Talminas.

BYNOE PROJECT TENEMENT ACQUISITION FROM LIONTOWN

Core acquired the Bynoe Lithium Project directly adjacent to Core's Finniss Lithium Project in the NT near Darwin from Liontown Resources Ltd (ASX:LTR) during the reporting period.

Core's consolidation of the two leading Lithium Projects (Finniss and Bynoe) in the Northern Territory marks a key commercial step to building an expanded project of global significance in an ideal location to service accelerating lithium demand.

The Finniss and new Bynoe Lithium Projects cover a combined area over 500km^2 of granted tenements near Darwin. The new Bynoe acquisition provides a large number of additional lithium pegmatite targets and more than 50 historic pegmatite prospects to Core's portfolio.

The Bynoe Lithium Project included the northern extension of the high grade BP33 lithium pegmatite, which is now consolidated under one owner as a result of the acquisition.

Drilling at the Sandras Prospect has intersected a 300m long, large pegmatite body with a true width up to 35m which remains open along strike and largely untested at depth included intercepts of up to 42m at 1.0% Li_2O from 93m.

Core's consolidation of the large number of lithium mineralised pegmatites in the Bynoe Pegmatite Field places Core in an ideal position to take full advantage of the excellent logistics close to Darwin.

Core paid Liontown $1,500,000 in cash and $2,000,000 CXO shares to complete the acquisition. Upon defining a JORC-compliant Mineral Resource totalling 5Mt within the Bynoe Project area, Core must to pay Liontown $1,500,000 in cash or CXO shares (at Core's election) subject to shareholder approval.

DARWIN INFRASTRUCTURE

The Grants Project is in proximity to Darwin allowing access to key operational infrastructure. The Project is located within:

- 0.5km of sealed road connecting to Darwin Port
- 4km of 400,000kl process water dam
- 10km of grid power
- 15km of 310MW gas fired power station
- 20km of zoned industrial park
- 25km of Port Darwin (88km by road)
- 1-hour drive from Darwin's airport and city.

The development and operation of the project is supported by a superior logistics chain to China, being within 25km of Darwin Port – Australia's nearest port to China.

The Project also has other significant infrastructure advantages, these include being close to sealed roads, grid power, gas and rail infrastructure and being less than a 1-hour drive from the skills, trades, workshops and services in suburban Darwin.

LITHIUM PROJECTS

LITHIUM OFFTAKE AGREEMENTS

The Company has initiated and received considerable attention from global lithium players interested in securing lithium concentrate offtake. This includes companies based in China, Europe, Korea and Japan. The Company is developing a strategy to significantly fund a large component of the capital cost through the application of prepayments, debt financing and equity with potential offtake partners.

Offtake Agreements will account for a large proportion of Grants production over the life of mine, underpinning its production profile and providing great confidence to Core to fast-track development of the mine.

Prepayment funding with Shandong RuiFu Lithium Co Ltd, along with our existing prepayment agreement with Ya Hua International Investment and Development Co. Ltd ("Ya Hua"), sum to US$55M in pre-payments and has the potential to provide the funding solution for the relatively low capex required to get the Finniss Lithium Project into production.

Ya Hua Offtake Agreement

Core signed a Binding Offtake Agreement and Prepayment Agreement in December 2017 with Ya Hua, a wholly owned subsidiary of Shenzhen stock exchange listed Sichuan Yahua Industrial Group Co., Ltd (Yahua). Yahua is one of China's largest lithium producers.

The Offtake Agreement is for the supply of 1 million dry metric tonnes of direct shipping lithium ore ("DSO") or concentrate equivalent from the Mineral Lease that contains the Grants Project and EL 29698.

The Offtake Agreement provides for attractive pricing linked to the market for lithium concentrate price and subject to a price floor and ceiling.

Ya Hua Prepayment Agreement

Pursuant to the Prepayment Agreement that has been executed with Ya Hua, subject to the satisfaction of various conditions precedent, Ya Hua has agreed to provide a US$20 million prepayment to Core to be used for the development of Grants. The prepayment will be offset by Core through the delivery of either DSO or Li_2O concentrate production from the Finniss Lithium Project or cash payment.

RuiFu Offtake Agreements

Core has also entered into a non-binding term sheet with one of China's largest lithium producers, Shandong RuiFu Lithium Co Ltd ("RuiFu") to supply up to 150,000tpa of lithium concentrate offtake, and receive a US$35 million pre-payment facility for its 100% Finniss Lithium Project near Darwin in the Northern Territory, together with RuiFu making an investment of approximately $3.0 million in Core ("Term Sheet").

The Term Sheet provides that Core and RuiFu intend to negotiate in good faith with the aim of entering into legally binding agreements.

LITHIUM PROJECTS

ANNINGIE AND BARROW CREEK LITHIUM PROJECTS

Northern Territory

100% CXO owned

As with Greenbushes in WA and Finniss in the Bynoe Pegmatite Field in the NT, the Barrow Creek Pegmatite Field has also had a long history of tin and tantalum mining prior to lithium mineralisation being recognised.

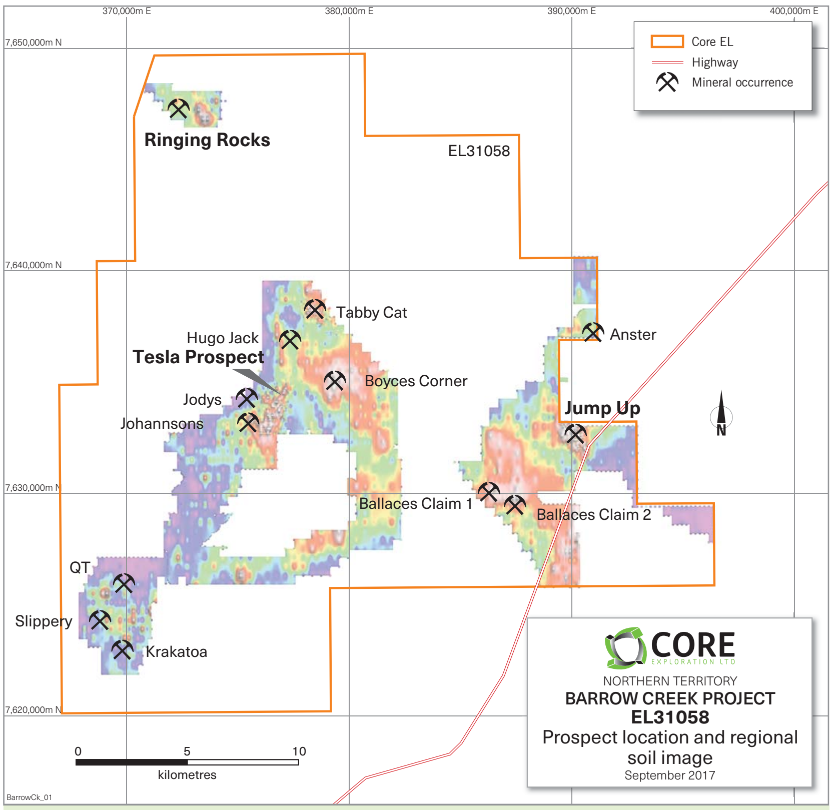
Core's Anningie and Barrow Creek Lithium Projects encompass five exploration licences covering over 2,500 square kilometres in and around the Anningie and Barrow Creek Tin Tantalum Pegmatite fields in the north Arunta Region of the NT, which are considered highly prospective for lithium.

Core believes there is an excellent fit between the lithium potential of Barrow Creek Pegmatite Field, direct rail link to Darwin Port and Core's objectives to make Darwin and Core's Finniss Lithium Project near Darwin a central processing and global transport hub for NT lithium and spodumene production as forecast lithium demand keeps growing.

Regional-spaced soils (over 2,000 samples) assays during the reporting period from the Barrow Creek Project indicate a substantially larger footprint of lithium anomalism than depicted by historic pegmatite workings.

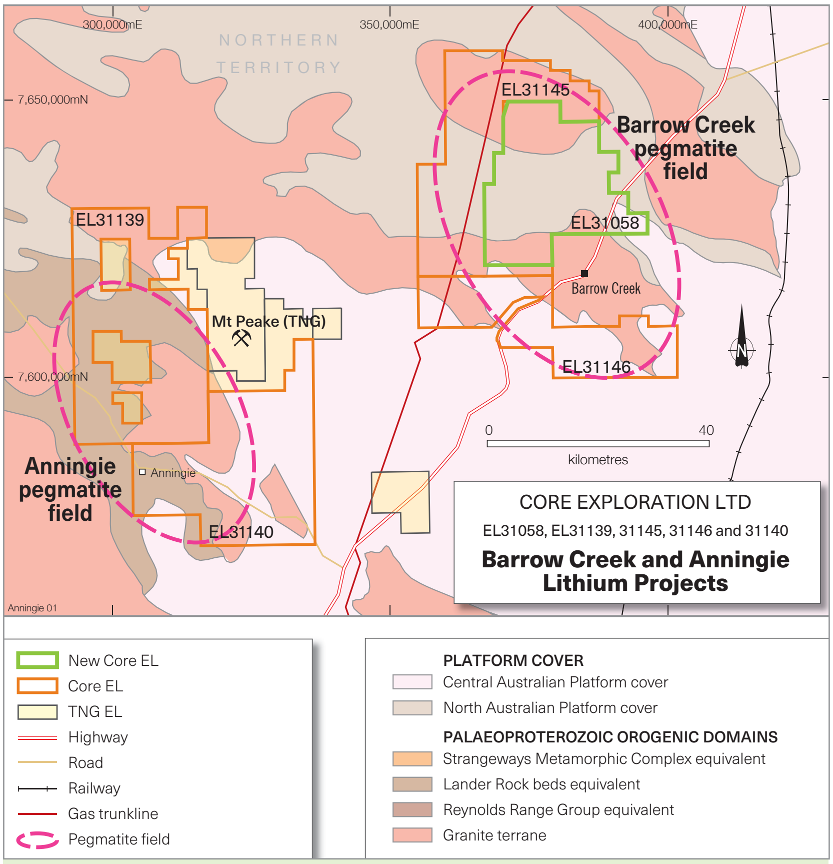
Core's baseline exploration highlighted a new large prospect area called Tesla, where elevated lithium in soils form a 5km long arcuate trend highlighting previously unmapped pegmatites.

Core's lithium projects and tin-tantalum pegmatite provinces of the Northern Territory.



Main prospects within Core's EL31058, Barrow Creek Pegmatite Field, NT. Gridded Lithium in soils base.

LITHIUM PROJECTS



Location of Barrow Creek and Anningie Lithium Projects.

At Ringing Rocks Prospect a distinct lithium-in-soils anomaly is coincident with the outcrop position of two large pegmatite bodies, with surface expressions measuring 700m x 220m and 360m x 150m that may represent a single pegmatite body of approximately 1200m x 300m with surface rock chips assaying up to 0.6% Li_2O.

On a local scale, rockchips and detailed mapping have confirmed the lithium potential of a number of historic prospects, including Jump Up, Ballace's Claim 1 & 2, Tabby Cat, Hugo Jack's, Boyce's Corner, Johannson's, Jody's, Slippery and Krakatoa.

Many other pegmatite occurrences were identified and investigated during the conduct of regional reconnaissance work.

COPPER, ZINC & LEAD PROJECTS

JERVOIS DOMAIN

EL 29579, EL 29580, EL 29581 & EL 29669, Northern Territory

CXO 100%

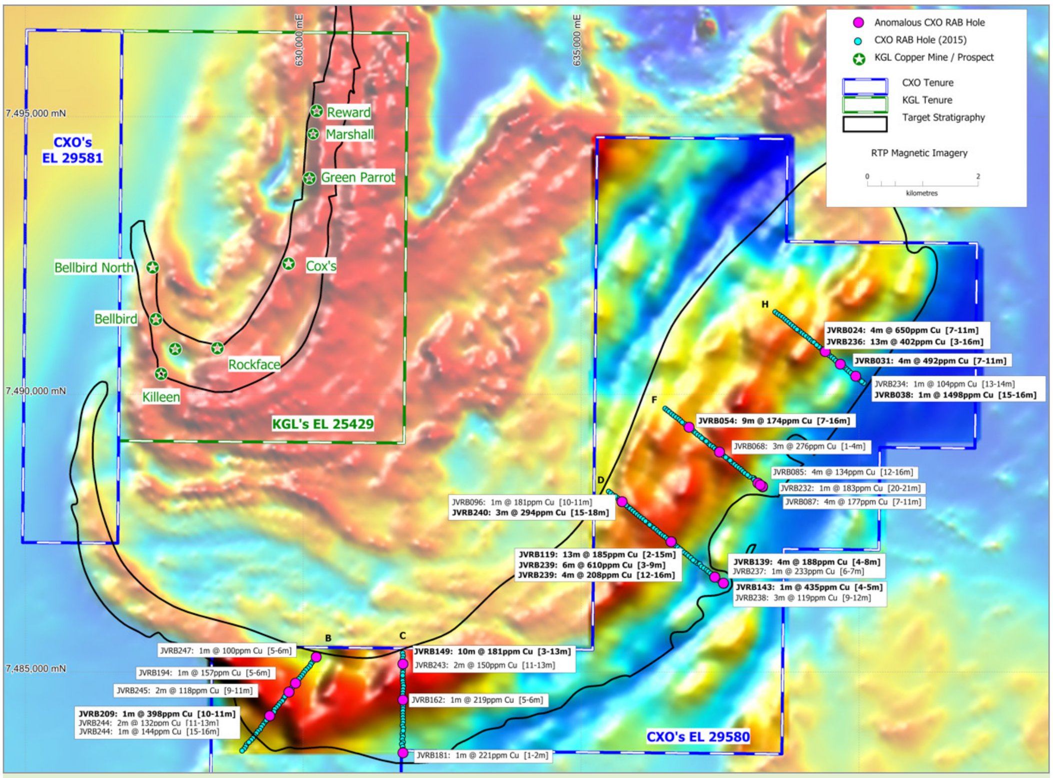
Core's previous drilling confirmed the 20km Big-J target zone has the geology, geophysics and indications of near surface copper mineralisation consistent with KGL Resources neighbouring Jervois project on a larger exploration scale.

Core's first pass shallow drilling program found visible copper mineralisation near surface and over intersections several metres wide in a number of drill holes and elevated copper levels on all five traverses drilled across a 15km section of the Big-J target zone.

Much of the geology at Big-J is obscured by a veneer of sand and soil. The primary purpose of the drilling was to determine this subsurface geology. Drilling showed that cover is thin, and copper concentrations are anomalous by regional standards.

Core's copper assays are comparable in magnitude with KGL's nearby surface copper exploration results in and around KGL's J-fold line of lode which hosts the Jervois Copper Project, but represent a much larger area of prospective geology.

Previous explorers had disregarded the huge potential of this area of Bonya Metamorphics as earlier exploration and development activity has focused on nearby areas of outcropping mineralisation.



Plan showing Jervois RAB Cu Intersections on RTP Mags inc KGL.

Given the encouragement of these excellent results, a range of drilling and exploration opportunities open up to Core to further prove up the copper potential and scale of Big-J.

Obvious large untested 2,000m to 6,000m gaps within the 20km length of the Big-J are targets for infill reconnaissance drilling. In addition, Core anticipates follow-up deeper drilling to test the depth extensions of identified near surface copper mineralisation.

KGL's nearby work has also shown the success of applying geophysics to find deeper deposits at Jervois, so Core intends to complement its near surface exploration with additional geophysics to aid drill targeting and interpretation.

COPPER, ZINC & LEAD PROJECTS

YERELINA ZINC PROJECT

EL 5015, South Australia

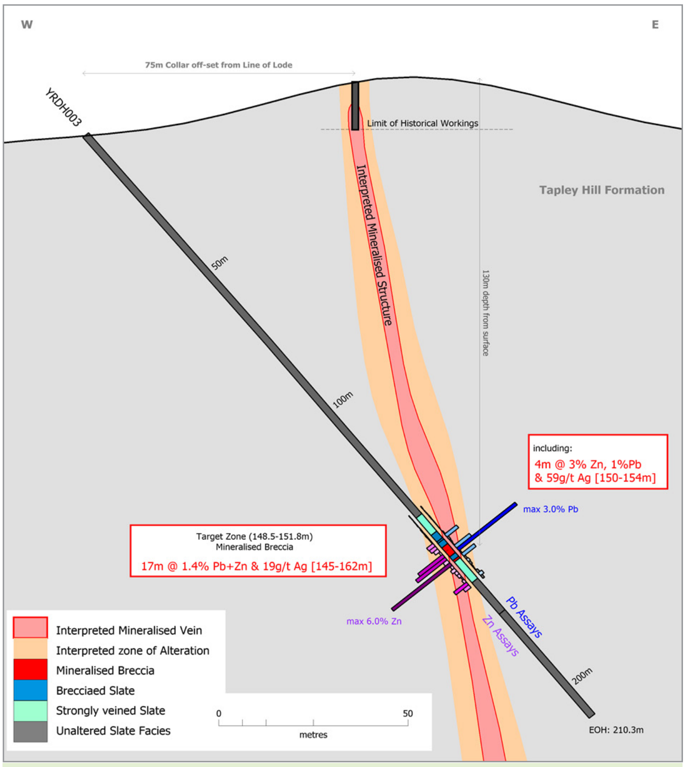
CXO 100%

Zinc assays from broad mineralised breccia zones drilled by Core during the 2016 reporting period indicate that the Company has possibly discovered a new sedimentary-hosted zinc system on the Yerelina Zinc Project, which covers a total area of 1,000km^2 in northern South Australia.

At the Great Gladstone prospect, a 17m intersection from 145m depth of mineralised breccia and veining averages a zinc plus lead grade of 1.4% and 19g/t silver and includes higher grade zones of 4m at 3% Zinc, 1% lead and 59g/t silver from 150-154m.

The 33m intersection (approx. true width) of oxidised breccias and veining at Big Hill prospect, 5km to the east of Great Gladstone, also contained consistently elevated zinc levels. Due to the near surface oxidation of base metals sulphides, zinc levels at Big Hill were lower and averaged 0.2% zinc over 33m from 14m-47m depth – YRDH005.

The mineralised zones intersected are located down dip of outcropping mineralised gossans. Surface channel sampling of these gossans at Great Gladstone and Big Hill returned significant zinc, lead and silver assays. The gossans are interpreted as the mineralised surface expression of a fault zones mapped at surface and by magnetics over 1km-3km.

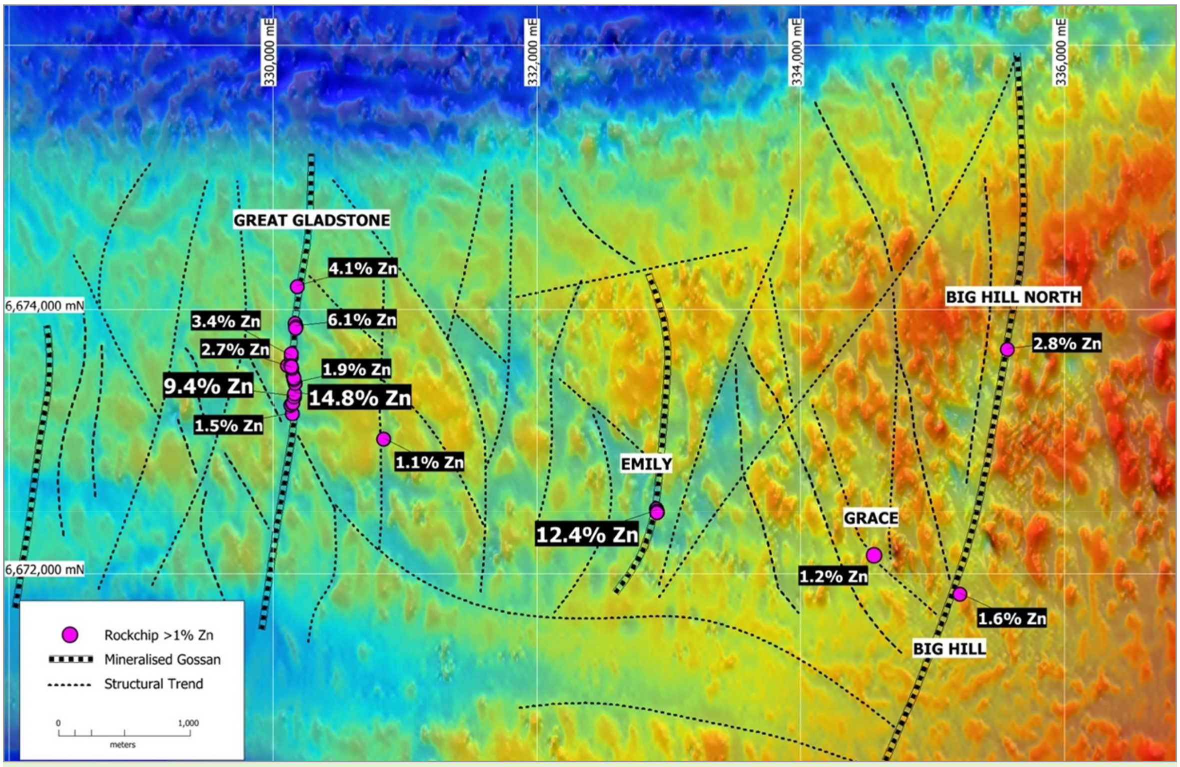


Yerelina Project cross section.

Of the 38 samples taken along a 1km section of fault zone at Great Gladstone, 34 returned combined lead and zinc assays in excess of 1% and over 1g/t silver with the best assay at 14.7% zinc. Lead values peaked at 12.7% and silver at 567g/t.

Core's analysis of modern satellite imagery and the Company's detailed heli-borne magnetic and radiometric survey data have identified that historic workings at Great Gladstone, Big Hill and other prospects are hosted by a

COPPER, ZINC & LEAD PROJECTS



Yerelina Project area.

large-scale 3km x 8km system of repeated north/south regional structures.

Many sediment-hosted zinc deposits (e.g. Lennard Shelf in WA) have strong structural control or influence on mineralising fluid movement through the sedimentary package. Often this is associated with mineralised breccias and veining and alteration in fault zones and zones of shearing as observed at Yerelina.

Typically, the economic scale of these deposits is driven by stratiform (often flat lying) deposits proximal to the identified discordant mineralised structures / transport system.

The geology and system at Yerelina has potential to host large stratiform deposits in association within the known calcareous and reef limestone host facies within the Tapley Hill Formation proximal to drilled and also other known mineralised discordant structures.

COPPER, ZINC & LEAD PROJECTS

BLUEYS AND INKHEART LEAD/SILVER PROJECT

EL28136, Northern Territory

CXO 100%

Core received impressive silver and lead results in previous reverse circulation (RC) drilling at its Blueys and Inkheart Prospects in the Northern Territory.

Drill hole BLRC011 intersected 1m @ 1070g/t Ag and 8.21% Pb from 24m down hole in a broader halo of 7m @ 166g/t Ag and 1.27% Pb. Drill hole BLRC010 drilled from the same pad as BLRC011 intersected 2m @ 843g/t Ag and 5.9% Pb in a broader halo of 17m @ 116g/t Ag and 0.83% Pb.

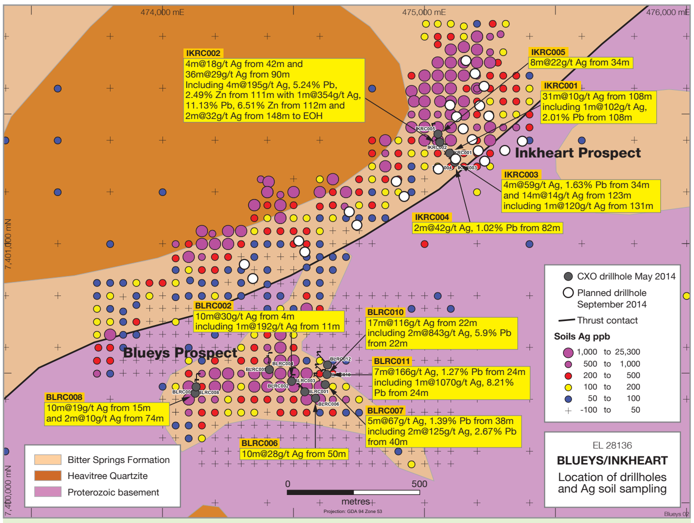
Core's RC drilling in 2014 intersected additional broad zones of silver and lead mineralisation including high grades up to 268g/t silver (Ag) and 8% lead at the nearby Inkheart Prospect in the NT.

The mineralised zone at Inkheart was intercepted consistently for at least 500m along strike and contained wide and high-grade intersections mostly within the host carbonates of the Bitter Springs Formation.

The mineralised zones at Inkheart are open to the north east, at depth and potentially to the south west.

The near surface silver and lead mineralisation at the Blueys Silver Prospect is believed to be enhanced by supergene processes with the majority of high grade mineralisation at the base of oxidation of the Bitter Spring Formation sediments. At depth, the epigenetic veins, mineralisation and broader alteration appear to have a primarily structurally controlled with some secondary influence by rock type.

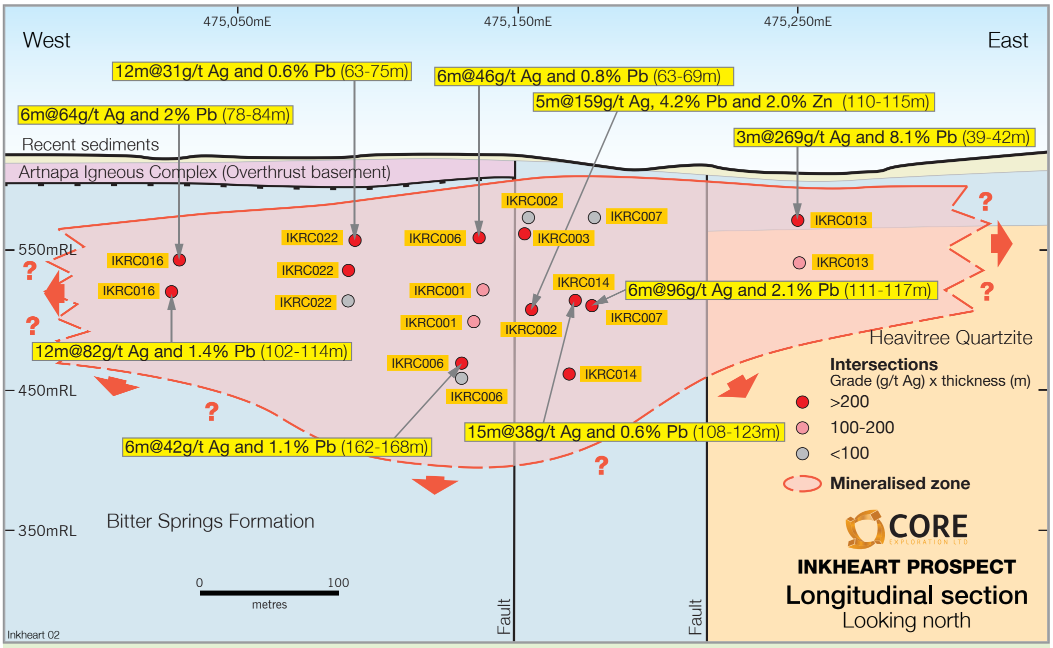
The grade and continuity of mineralisation intersected by Core's drilling at depth, along with growing confidence in a predictable exploration model for high grade silver lead mineralisation at Inkheart



Location and results of drilling and Ag soil sampling at Blueys and Inkheart Project.

strengthen the potential for further success in this exploration province in the NT.

Core believes there is potential for further mineralisation over a much larger area within the target Bitter Springs Formation geology. This reinforces the tenement wide and regional potential of the Bitter Springs Formation for the discovery of economic precious and base-metal deposits.



Inkheart prospect longitudinal section.

URANIUM PROJECTS

NAPPERBY ADVANCED URANIUM PROJECT

EL31449, Northern Territory

CXO 100%

Core was the successful applicant and has recently been granted the tenement over the advanced Napperby Uranium Project in the NT (refer announcement 15/02/2017).

The Napperby tenement area was the subject of an internationally competitive tender process with Core adjudged to have the best financial and technical resources available to advance the project.

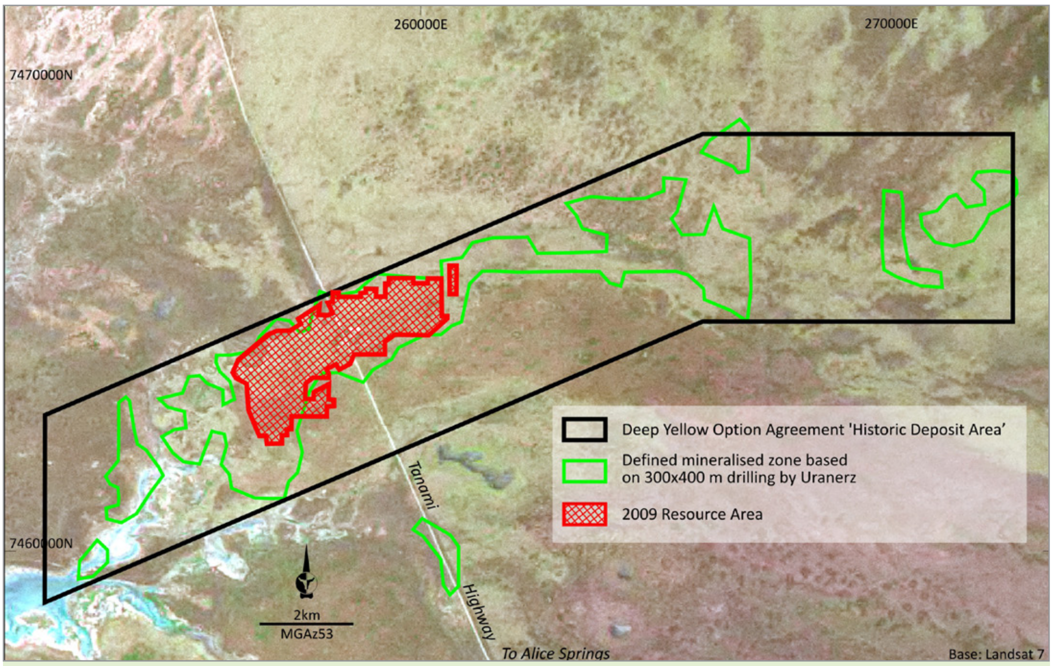
Mining consultants have been reviewing historic, detailed drilling information at Napperby to assess the potential to define a JORC 2012 Mineral Resource at Napperby.

Only half of the area of the much larger mineralised uranium zone defined earlier at Napperby by Uranerz was drilled to define the scale and grade of mineralisation by Toro Energy Limited (ASX:TOE). Consequently, there remains obvious potential to substantially expand and increase the size of the Napperby Uranium Project.

Core has gained access to a Napperby Scoping Study prepared by Toro in 2009, including metallurgical testwork studies on bulk representative samples, which examined various conventional mining and processing options available at the time.

Core also inherits excellent project data that includes auger, sonic core and aircore drillholes (1,117 by TOE-DYL and 820 by Uranerz), downhole gamma and assay data, PFN (Prompt Fission Neutron) and disequilibrium data, airborne EM (Electro-Magnetics) and high-resolution magnetics/radiometrics, gravity, and environmental monitoring data.

The extensive mineralised zone at Napperby occurs within 3 to 8 metres of the surface almost exclusively hosted by unconsolidated paleochannel sediments.



Napperby Area A (red) compared to known mineralised region (green) (From TOE: ASX 3/3/2009).

URANIUM PROJECTS

FITTON URANIUM PROJECT

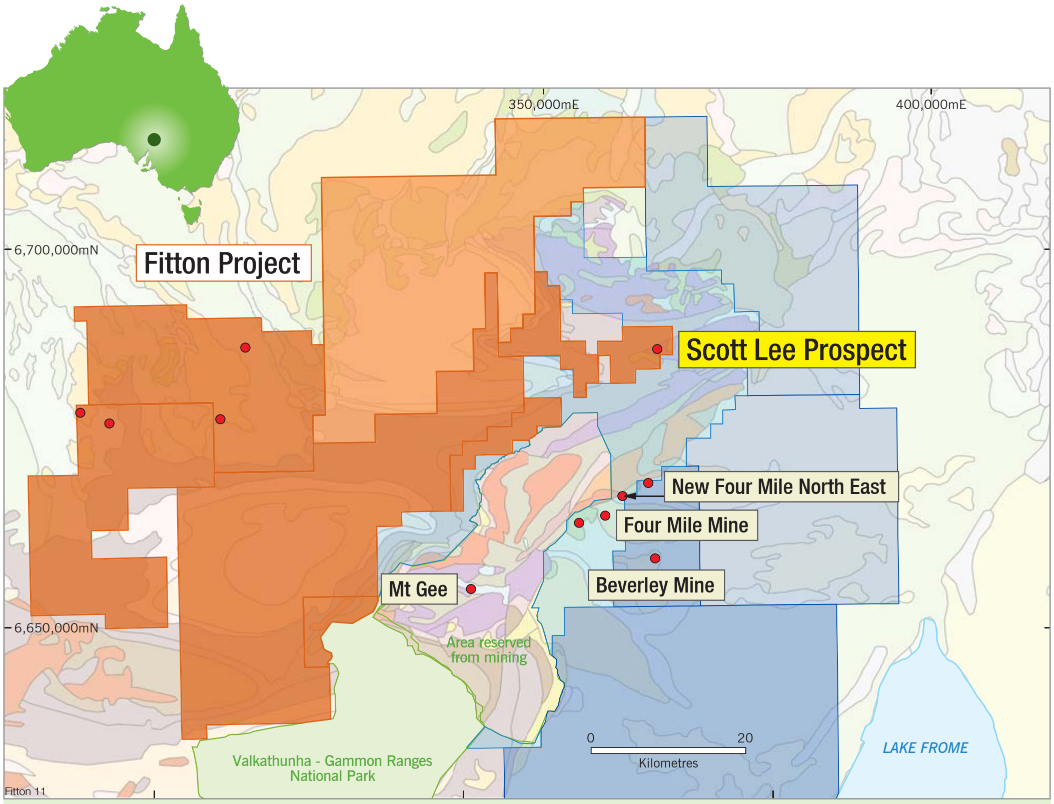
EL 5731, South Australia

CXO 100%

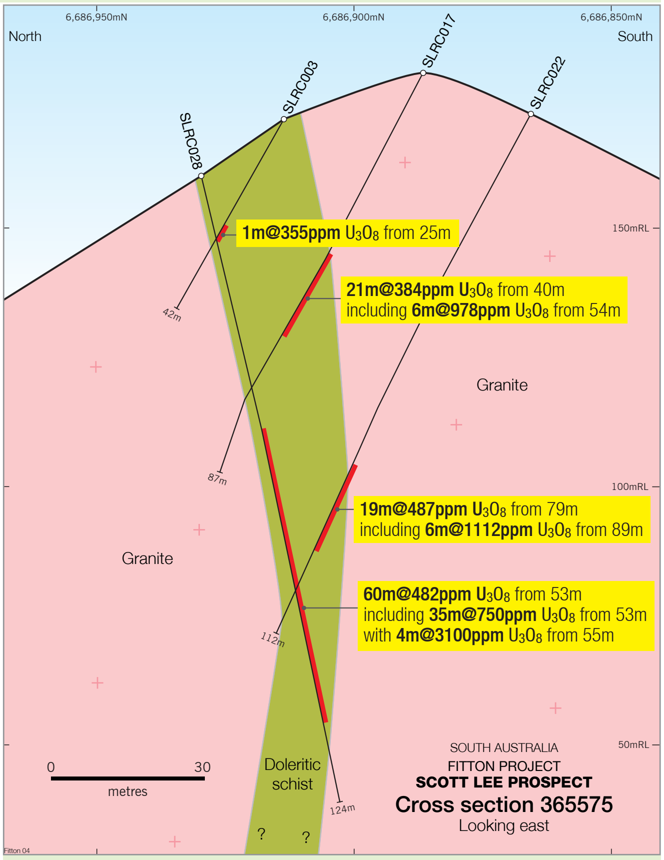
Core has previously made an outstanding discovery of shallow, high grade uranium on the 100% owned Fitton Project adjacent to Four Mile Uranium Mine.

Core's exploration work and drilling at Fitton confirmed that:

- uranium mineralisation outcrops
- uranium mineralisation contains both thick and high grade intersections
- uranium mineralisation extends to at least 150m downhole depth
- the mineralised structure is over 1km long
- exploration potential for repeated mineralised structures.



Location of tenure and major uranium deposits, Fitton Project, South Australia.



Cross section 365575, Scott Lee Prospect.

Table 1 Key drill intersections at Scott Lee Prospect, Fitton Project SA.

Hole SLRC017	21m @ 384ppm (0.04%) U_3O_8 from 40m Inc. 6m @ 978ppm (0.10%) U_3O_8 from 54m
Hole SLRC022	19m @ 487ppm (0.05%) U_3O_8 from 79m Inc. 6m @ 1,112ppm (0.11%) U_3O_8 from 89m
Hole SLRC028	60m @ 482ppm (0.05%) U_3O_8 from 53m Inc. 35m @ 750ppm (0.08%) U_3O_8 from 53m Inc. 4m @ 3,100ppm (0.31%) U_3O_8 from 55m
Hole SLRC029	75m @ 268ppm (0.03%) U_3O_8 from 82m Inc. 31m @ 452ppm (0.05%) U_3O_8 from 126m

Core's 100% owned Fitton Project is located in a proven world-class uranium mining region, 500 kilometres north of Adelaide in South Australia and is located within 25km of three uranium mines.

- Beverley Mine
- Beverley North Mine
- Four Mile Mine.

Tenement Schedule

as at 30 June 2018

TENEMENT NUMBER	TENEMENT NAME	STATUS	EQUITY
South Australia			
EL 5731	Fitton	Granted	100%
EL 5375	Billy Springs	Granted	100%
EL 5809	Mt Lyndhurst	Granted	100%
EL 6038	Mt Freeling	Granted	100%
SEL 6111	Yerelina	Granted	100%
Northern Territory			
EL 27709	Pattersons	Granted	100%
EL 28029	White Range East	Granted	100%
EL 28136	Blueys	Granted	100%
EL 28940	Mordor	Granted	100%
EL 29347	Yambla	Granted	100%
EL 29389	Mt George	Granted	100%
EL 29579	Jervois North	Granted	100%
EL 29580	Jervois East	Granted	100%
EL 29581	Jervois West	Granted	100%
EL 29669	Jervois South	Granted	100%
EL 29689	Riddoch	Granted	100%
EL 30669	Ross River	Granted	100%
EL 30793	McLeish	Granted	100%
EL 29698	Finniss	Granted	100%
EL 29699	Bynoe	Granted	100%
EL 30012	Bynoe	Granted	100%
EL 30015	Bynoe	Granted	100%
EMP28651	Bynoe	Granted	100%
MLN16	Bynoe	Granted	100%
EL 31058	Barrow Creek	Granted	100%
EL 31126	Bynoe	Granted	100%
EL 31127	Bynoe	Granted	100%
EL 31139	Anningie West	Granted	100%
EL 31140	Anningie South	Granted	100%
EL 31145	Barrow Creek North	Granted	100%
EL 31146	Barrow Creek South	Granted	100%
EL 31271	Bynoe	Granted	100%
EL 31279	Sand Palms	Granted	100%
EL 31449	Napperby	Granted	100%
MLA31726	Grants Mineral Lease	Mineral Lease Application	100%

Directors' Report

Core's Directors have pleasure in submitting their report on the Company and its subsidiaries, for the year ended 30 June 2018.

DIRECTORS

The names and details of Directors in office at any time during the reporting period are:

Greg English, B.E. (Hons) Mining, LLB

Non-executive Chairman (appointed 10 September 2010)

EXPERIENCE AND EXPERTISE

Greg English is a qualified mining engineer and lawyer. Greg is a partner of Piper Alderman Lawyers and specialises in mining, commercial and securities law. He is also a qualified mining engineer, with experience on a wide variety of mining projects. Greg is also a director of ASX listed Archer Exploration Ltd and Leigh Creek Energy Limited.

Greg's experience in the mining industry, particularly in capital raising, tenement acquisition, project management and business development, and his industry knowledge and business relationships, enables Core Exploration to manage and develop its existing tenement portfolio and to identify and secure other high quality exploration assets.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Director of Archer Exploration, appointed 16 February 2007, and Executive Chairman, appointed 1 June 2015 and Non-executive Director of Leigh Creek Energy Limited from 22 September 2015.

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

None.

INTEREST IN SHARES

6,265,000 Ordinary Shares held directly and by an entity in which Mr English has a beneficial interest.

INTEREST IN OPTIONS / PERFORMANCE RIGHTS

800,000 unquoted Performance Rights subject to various performance based hurdles.

Stephen Biggins, MBA, BSc (Hons) Geol, MAusIMM

Managing Director (appointed 10 September 2010)

EXPERIENCE AND EXPERTISE

Stephen Biggins has 25 years' experience as geologist and geophysicist and over 10 years as an executive in mineral exploration in the mining industry in Australia and internationally.

He has applied his Honours Degree in Geology and MBA as the Managing Director of ASX-listed Southern Gold (ASX:SAU) in 2005-10, and then Core Exploration (ASX:CXO) since 2011 to the finance and management of exploration and resource definition in a range of commodities. Stephen was also a founding Director of Investigator Resources Ltd (ASX:IVR).

Stephen has built prospective portfolios of gold, uranium and base metal exploration projects in Australia, Asia and Africa.

These earliest projects provided the foundation for Southern Gold Ltd and as Managing Director, Stephen led the Company to the discovery of the Cannon Gold Resource that is currently in gold production in Western Australia.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

None.

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

None.

INTEREST IN SHARES

8,196,347 Ordinary Shares held by entities in which Mr Biggins has a beneficial interest.

INTEREST IN OPTIONS / PERFORMANCE RIGHTS

6,500,000 unquoted Performance Rights subject to various performance based hurdles.

Heath Hellewell, BSc (Hons) MAIG

Non-executive Independent Director (appointed 15 September 2014)

EXPERIENCE AND EXPERTISE

Heath is an exploration geologist with over 24 years of experience in gold, base metals and diamond exploration predominantly in Australia and West Africa. Heath has previously held senior exploration positions with a number of successful mining and exploration groups including DeBeers Australia and Resolute Mining. Heath joined Independence Group in 2000 prior to the Company's IPO and was part of the team that identified and acquired the Tropicana project area, eventually leading to the discovery of the Tropicana and Havana gold deposits. Heath was the co-founding Executive Director of Doray Minerals, following the discovery of the Andy Well gold deposits, Doray Minerals was named "Gold Explorer of the Year" in 2011 by The Gold Mining Journal and in 2014 Heath was the co-winner of the prestigious "Prospector of the Year" award, presented by the Association of Mining and Exploration Companies. More recently Heath was responsible for acquiring the Karlawinda Gold Project through his private investment group and the formation of ASX-listed Capricorn Metals Limited, which is looking to bring the project into production in late 2019.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Non-executive Director of Duketon Mining Ltd (ASX:DKM) appointed 18 November 2014 and Executive Chairman, Capricorn Metals Limited (ASX:CMM) appointed to the Board 3 February 2016.

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

None.

INTEREST IN SHARES

None.

INTEREST IN OPTIONS / PERFORMANCE RIGHTS

800,000 unquoted Performance Rights subject to various performance based hurdles.

COMPANY SECRETARY

Jaroslaw (Jarek) Kopias, BCom, CPA, AGIA, ACIS

Company Secretary / Chief Financial Officer (appointed 21 June 2011)

Jarek Kopias is a Certified Practising Accountant and Chartered Secretary. Jarek has over 20 years' industry experience in a wide range of financial and secretarial roles within the resources industry. As an accountant, Jarek worked in numerous financial roles for companies, specialising in the resource sector – including five years at WMC Resources Limited's Olympic Dam operations, five years at Newmont Mining Corporation - Australia's corporate office and five years at oil and gas producer and explorer, Stuart Petroleum Limited (prior to its merger with Senex Energy Limited).

He is currently the CFO and Company Secretary of Northern Cobalt Limited (ASX: N27) and Company Secretary of Iron Road Limited (ASX: IRD) and Lincoln Minerals Limited (ASX: LML). Mr Kopias has held similar roles with other ASX entities in the past and has other business interests with numerous unlisted entities.

PRINCIPAL ACTIVITIES

Core's principal activities are the exploration for lithium and base metals deposits in Northern Territory and South Australia.

OPERATING AND FINANCIAL REVIEW

The net loss of the Group, from the year ended 30 June 2018, was $2,094,330 (2017 $1,933,689) after providing for income tax – an increase of $160,641.

The key contributor to the increased loss for the year was an increase in administrative costs of $324,913 and employee benefits of $253,880 due to an increase in corporate activity and resultant labour costs supporting an increased exploration and development program.

The increased loss was partly offset by a reduction in impairment expense of $381,436 due to a lower value of tenements relinquished during the year.

The risks associated with the projects listed in the Project Overview of this Annual Report are those common to exploration and development activities generally. Exploration targets are conceptual in nature such that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

The Group faces risks in developing its projects including, but not limited to: mineral resources not being economic; mineral lease not being granted; ability to fund the development of the project; and commodity prices.

The main environmental and sustainability risks that Core currently faces are through ground disturbance when undertaking sampling or drilling activities. The Group's approach to exploration through environmental, heritage and other clearances allows these risks to be minimised.

The financial impact of the Group's projects is a requirement for further expenditure where successful exploration leads to follow-up activities. All exploration activities may be funded by the Group's own cash reserves, equity or debt finance or through joint venture arrangements.

Further technical detail on each of the prospects listed below is in the Project Overview of the Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group that occurred during the reporting period that have not otherwise been disclosed in this report or the financial statements.

DIVIDENDS

There were no dividends paid or declared during the reporting period or to the date of this report.

EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

Since the end of the financial year, the Company has issued the following securities on 5 September 2018:

- 170,000 shares upon exercise of employee rights;
- 2,140,000 unquoted performance rights to employees and contractors as remuneration; and
- 10,000,000 unquoted options as a fee for financial advisory services, at an issue price of $0.00001 each, exercisable at $0.080 each and expiry of 5 September 2022.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

LIKELY DEVELOPMENTS

The likely developments for the Group include continued exploration and drilling of key prospects at Finniss. As well as ongoing exploration from time to time at Anningie, Yerelina, Jervois, Fitton and other tenements held by the Group, Core will continue to identify and evaluate numerous other projects and opportunities.

DIRECTORS' MEETINGS

The number of Directors' meetings held during the reporting period and the number of meetings attended by each Director is as follows:

DIRECTORS	BOARD MEETINGS		AUDIT AND RISK COMMITTEE MEETINGS	
	MEETINGS ATTENDED	MEETINGS ENTITLED TO ATTEND	MEETINGS ATTENDED	MEETINGS ENTITLED TO ATTEND
GD English	9	9	2	2
SR Biggins	9	9	2	2
HA Hellewell	9	9	2	2

At this time there are no separate Board committees, other than the Audit and Risk Committee, as all matters usually delegated to such committees are handled by the Board as a whole.

UNISSUED SHARES UNDER OPTION

Unissued ordinary Shares of Core under option at the date of this report are:

DATE OPTIONS GRANTED	EXPIRY DATE	EXERCISE PRICE OF OPTIONS	NUMBER UNDER OPTION
28 February 2017	28 February 2019[1]	$0.125	2,500,000
28 February 2017	28 February 2019[1]	$0.150	2,500,000
27 November 2017	30 September 2019	$0.070	1,500,000
9 May 2018	9 May 2020	$0.100	500,000
21 June 2018	21 June 2019	$0.080	58,104,000
Total options on issue			65,104,000

1 Expiry is 28 February 2019 or 3 months following termination of agreement under which the options were issued.

During the year the following unlisted options were issued:

- 1,500,000 options were issued to Mr Blair Duncan as KMP remuneration;
- 500,000 options were issued as professional advisory service fees paid to Cannings Purple; and
- 58,104,000 options were issued to brokers as remuneration for participating in a share placement.

These options do not entitle the holders to participate in any share issue of the Company or any other body corporate.

REMUNERATION REPORT (AUDITED)

The Directors of Core Exploration Limited present the Remuneration Report in accordance with the *Corporations Act 2001* (Cth) and the *Corporations Regulations 2001* (Cth).

The Remuneration Report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration

B. Details of remuneration

C. Service agreements

D. Share-based remuneration

E. Other information

A. Principles used to determine the nature and amount of remuneration

The Company's remuneration policy has been designed to align objectives of key management personnel with objectives of shareholders and the business, by providing a fixed remuneration component and offering specific long-term incentives through the issue of options and / or performance rights. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel and Directors to run and manage the Company. The key management personnel of the Company are the Board of Directors and Executive Officers.

1. The Board's policy for determining the nature and amount of remuneration for its members and key management personnel of the Company is as follows:

   The remuneration policy, setting the terms and conditions for the executive Directors and key management personnel, was developed by the Board. All key management personnel are remunerated on a consultancy or salary basis based on services provided by each person. The Board annually reviews the packages of key management personnel by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

2. The Board may exercise discretion in relation to approving incentives, bonuses, options and performance rights. The policy is designed to attract the highest calibre of key management personnel and reward them for performance that results in long-term growth in shareholder wealth.

3. Key management personnel are also entitled to participate in the Company's Share Option Plan and Performance Share Plan as approved by shareholders at the 2016 AGM held on 30 November 2016.

4. The Board policy is to remunerate Non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at the Annual General Meeting (currently $300,000). Fees for Non-executive Directors are not linked to the performance of the Group, except in relation to share-price based KPI performance rights. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the Company's Share Option Plan and Performance Share Plan, which may exist from time to time.

During the reporting year, performance reviews of senior executives were not conducted.

There were no remuneration consultants used by the Group during the year.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four (4) financial years:

ITEM	2018	2017	2016	2015	2014
Net (loss) for the year	2,094,330	1,933,689	1,794,756	1,274,401	1,118,141
(Loss) per share – cents	0.43	0.56	0.92	0.92	1.27
Shareholders' equity	26,197,379	15,125,452	8,239,961	6,307,306	5,397,792
Number of issued shares – end of year	633,591,657	376,546,066	270,928,583	150,486,287	106,800,740
Share price – end of the year – cents	4.7	7.4	2.2	2.6	4.0

Performance based remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and other key management personnel. Currently, this is facilitated through the issue of options and/or performance rights to key management personnel to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. There is currently no relationship of board policy for KMP remuneration and the entity's performance for the last 5 years.

Voting and comments made at the company's 2017 Annual General Meeting

Core received more than 98% of "yes" votes on its remuneration report for the 2017 financial year. The Company did not receive any specific feedback at the AGM on its remuneration report.

REMUNERATION REPORT (AUDITED)

B. Details of remuneration

Details of the nature and amount of each element of the remuneration of the Company's key management personnel (KMP) are shown below:

Director and other key management personnel remuneration

2018	SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	SHARE-BASED PAYMENTS		
	SALARY AND FEES $	CONTRACT PAYMENTS $	OTHER BENEFITS $	SUPERANNUATION $	OPTIONS AND PERFORMANCE RIGHTS[1] $	TOTAL $	AT RISK[5] %
Non-executive Directors							
G English	60,000	-	-	-	7,982	67,982	12
H Hellewell	-	40,000	-	-	7,982	47,982	17
Executive Directors							
S Biggins	260,000	-	-	24,700	71,139	355,839	20
Other key management personnel							
J Kopias[3]	-	121,890	-	-	7,982	129,872	6
D Rawlings	-	236,550	-	-	3,459	240,009	1
B Duncan[4]	199,615	-	-	18,963	63,768	282,346	23
Total	519,615	398,440	-	43,663	162,312	1,124,030	14

2017	SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	SHARE-BASED PAYMENTS		
	SALARY AND FEES $	CONTRACT PAYMENTS $	OTHER BENEFITS $	SUPERANNUATION $	OPTIONS AND PERFORMANCE RIGHTS[1] $	TOTAL $	AT RISK[5] %
Non-executive Directors							
G English	54,795	-	-	5,205	16,858	76,858	22
H Hellewell	-	40,000	-	-	16,858	56,858	30
Executive Directors							
S Biggins[2]	195,000	75,060	-	18,525	15,702	304,287	5
Other key management personnel							
J Kopias[3]	-	103,708	-	-	16,858	120,566	14
D Rawlings	-	254,800	-	-	2,499	257,299	1
Total	249,795	473,568	-	23,730	68,775	815,868	8

1 *Performance rights issued in 2017 and 2018 and options issued in 2018.*

2 *Contract payments are made to BR1 Holdings Pty Ltd – an entity associated with Mr Biggins.*

3 *Contract payments are made to Kopias Consulting – an entity associated with Mr Kopias.*

4 *B Duncan commenced as General Manager Project Development on 14 August 2017.*

5 *Represents share based payments linked to performance conditions.*

During the year, B Duncan was appointed as General Manager Project Development to progress the Group's Finniss Lithium Project.

S Biggins was granted performance based rights and B Duncan was granted performance based options and rights during the year. The KPIs associated with those rights and options are detailed in section D.

C. Service agreements

Remuneration and other terms of employment for the Executive Directors and other KMP are formalised in service agreements. The major provisions of the agreements relating to remuneration are set out below:

NAME	BASE REMUNERATION	UNIT OF MEASURE	TERM OF AGREEMENT	NOTICE PERIOD[2]	TERMINATION BENEFITS
S Biggins[1] *Managing Director*	$284,700	Salaried employee	Indefinite	Three months	Six months
D Rawlings *Exploration Manager*	Variable	Day rate contract	31 December 2018	Three months	Three months
B Duncan *General Manager Project Development*	$225,000	Salaried employee	14 August 2019	Three months	Three months
J Kopias *CFO & Company Secretary*	Variable	Hourly rate contract	Indefinite	One month	None

1 *Mr Biggins is to work 4 days per week during the year.*

2 *To be given by the employee.*

D. Share-based remuneration

Details of options convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the year are set out below:

GRANTED 2018	NUMBER GRANTED	GRANT DATE	FAIR VALUE AT GRANT DATE		FIRST VESTING DATE	LAST VESTING DATE
			PER OPTION	FULL VALUE $		
B Duncan	1,500,000	27/11/2017	$0.0362	54,334	First production[1]	30/06/2020
Total	1,500,000					

1 *Meeting vesting of unlisted options issued to Mr Duncan is tied to achieving a "First production from mine" KPI by 30 June 2020. The vesting date was extended to 30 June 2020 by the board on 3 July 2018.*

All performance rights refer to a right to convert one right to one ordinary share in the Company, under the terms of the performance rights. Details of performance rights convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the year are set out below:

GRANTED 2018	NUMBER GRANTED	GRANT DATE	FAIR VALUE AT GRANT DATE		FIRST VESTING DATE[1]	LAST VESTING DATE
			PER RIGHT	FULL VALUE $		
S Biggins	1,000,000	21/06/2018	$0.0250	25,015	Feasibility study	30/06/2019
S Biggins	1,000,000	21/06/2018	$0.0227	22,744	10Mt JORC Resource	30/06/2019
S Biggins	1,000,000	21/06/2018	$0.0292	29,179	Regulatory approval	30/06/2019
S Biggins	1,000,000	21/06/2018	$0.0319	31,886	Commence mining	30/06/2020
S Biggins	1,000,000	21/06/2018	$0.0339	33,897	First production	30/06/2020
D Rawlings	400,000	27/11/2017	$0.0336	13,430	5Mt JORC Resource	31/01/2019
D Rawlings	400,000	27/11/2017	$0.0193	7,773	10Mt JORC Resource[2]	30/06/2019
B Duncan	375,000	27/11/2017	$0.0488	18,282	Mining licence[2]	30/06/2019
B Duncan	375,000	27/11/2017	$0.0456	17,101	Feasibility study[2]	31/12/2018
B Duncan	375,000	27/11/2017	$0.0504	18,910	Mine development approval[2]	30/06/2019
B Duncan	375,000	27/11/2017	$0.0504	18,910	Final investment decision[2]	30/06/2019
Total	7,300,000					

1 *Meeting criteria of the KPI listed below determines vesting of rights.*

2 *The vesting date was extended by the board on 3 July 2018 to the dates in the table.*

REMUNERATION REPORT (AUDITED)

S Biggins

All Performance rights issued to Mr Biggins are subject to the overarching share price KPI of the Core Exploration Limited share price performance (12 month VWAP) not being substantially (more than 20%) below the S&P ASX Small Resources Index (XSR:ASX) for the for the 12-month period in which the KPI is achieved commencing 1 July 2018 and ending 30 June 2019 or the 12-month period commencing 1 July 2019 and ending 30 June 2020.

Feasibility Study KPI

The vesting of Performance Rights under this KPI is tied to the completion of a Feasibility Study as approved by the Board of the Company on or before 31 December 2018.

10Mt JORC Resource KPI

The vesting of Performance Rights under this KPI is tied to the announcement by 30 June 2019 of at least 10 million tonnes of lithium JORC resources (with at least 60% of the resources being in the measured and indicated category) grading at least 1% Li_2O from all of the Company's current or future mineral leases.

Full Regulatory Approval KPI

The vesting of Performance Rights under this KPI is tied to the grant of all regulatory and all other approvals (NT Department of Primary Industries and Resources and related environmental approvals) by 30 June 2019 permitting the commencement of mining operations at the Grants Lithium Resource.

Commencement of Mining KPI

The vesting of Performance Rights under this KPI is tied to the commencement of mining at the Grants Lithium Resource by 31 December 2019; including the commencement of any pre-strip to define the crest of the entire pit to a minimum depth of 2.5 metres related to accessing the Grants Lithium Resource.

First Production from Mine KPI

The vesting of Performance Rights under this KPI is tied to the production of the first 10,000 tonnes of saleable lithium concentrate or direct shipping spodumene ore and the date that the saleable product is receipted and paid in full by the customer/s from lithium ore sourced form the mining lease that contains the Grants Lithium Resource. The saleable lithium concentrate or direct shipping spodumene ore must be receipted and paid in full by the customer/s by 30 June 2020.

In addition to the vesting conditions detailed for KPI 1 to KPI 5 above, 50% of the Performance Rights will vest if a sale or farm-out is achieved on the Finniss Lithium Project whereby =>50% legal and beneficial interest in the Finniss Lithium Project is sold for at least A$30 million by 30 June 2020 (Qualifying Transaction). The sale of =>50% of the ore from the Finniss Lithium Project under an offtake or ore sale agreement, with or without prepayment, does not count as a Qualifying Transaction. 2,500,000 Director Performance Rights will vest under this scenario to a maximum total of 5,000,000 Director Performance Rights including any KPIs that have vested prior to the sale. For the avoidance of doubt, the maximum number of Director Performance Rights that can vest during the period 1 July 2018 to 30 June 2020 is 5,000,000 Director Performance Rights.

D Rawlings

5Mt JORC Resource KPI

Mr Rawlings will be entitled to 400,000 Performance Rights subject to defining >5Mt JORC (2012) Resource above 1% Li_2O by 31 January 2019.

10Mt JORC Resource KPI

Mr Rawlings will be entitled to a further 400,000 (800,000 in total) Performance Rights subject to defining >10Mt JORC (2012) Resource above 1% Li_2O by 30 June 2019.

B Duncan

The vesting of Performance Rights and Options issued to Mr Duncan is tied to achieving the following KPIs:

KEY PERFORMANCE INDICATOR (KPI)	PERFORMANCE RIGHTS	OPTIONS	VESTING CONDITION TO BE MET BY	EXPIRY
KPI 1 Grant of mining licence at Grants Prospect	375,000	-	30 Jun 2019	30 Sep 2019
KPI 2 Delivery of Grants Project feasibility study to Core's board	375,000	-	31 Dec 2018	31 Mar 2019
KPI 3 Achievement of mine development approvals for DSO Operations at the Grants prospect	375,000	-	30 Jun 2019	30 Sep 2019
KPI 4 Final Investment Decision (FID) by Core's board on Finniss Lithium Project	375,000	-	30 Jun 2019	30 Sep 2019
KPI 5 First Production from mine	-	1,500,000 Exercise price 7.0 cents each	30 Jun 2020	30 Sep 2020
Total	1,500,000	1,500,000		

Share holdings of key management personnel

The number of ordinary shares of Core Exploration Limited held, directly, indirectly or beneficially, by each Director, Company Secretary and key management executive, including their personally-related entities as at reporting date:

KEY MANAGEMENT PERSONNEL 2018	HELD AT 30 JUNE 2017	MOVEMENT DURING YEAR[1]	OPTIONS / RIGHTS EXERCISED	HELD AT 30 JUNE 2018
G English	6,265,000	-	-	6,265,000
S Biggins	7,007,667	188,680	1,000,000	8,196,347
D Rawlings	810,000	-	160,000	970,000
J Kopias	226,667	283,019	-	509,686
Total	14,309,334	471,699	1,160,000	15,941,033

1 *Movement represents participation in the Company's Share Purchase Plan (SPP).*

Option holdings of key management personnel

The number of options over ordinary shares in Core Exploration Limited held, directly, indirectly or beneficially, by each specified Director and KMP, including their personally-related entities as at reporting date, is as follows:

Listed options

DIRECTORS AND COMPANY SECRETARY 2018	HELD AT 30 JUNE 2017	ACQUIRED DURING YEAR	LAPSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2018	VESTED AND EXERCISABLE AT 30 JUNE 2018
G English	1,000,000	-	(1,000,000)	-	-	-
S Biggins	2,100,000	-	(2,100,000)	-	-	-
H Hellewell	1,000,000	-	(1,000,000)	-	-	-
J Kopias	556,667	-	(556,667)	-	-	-
Total	4,656,667	-	(4,656,667)	-	-	-

Unlisted options

KEY MANAGEMENT PERSONNEL 2018	HELD AT 30 JUNE 2017	ACQUIRED DURING YEAR[1]	DISPOSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2018	VESTED AND EXERCISABLE AT 30 JUNE 2018
B Duncan	-	1,500,000	-	-	1,500,000	-
Total	-	1,500,000	-	-	1,500,000	-

1 *Movement represents issue of remuneration securities.*

REMUNERATION REPORT (AUDITED)

Performance rights holdings of key management personnel

The number of performance rights over ordinary shares in Core Exploration Limited held, directly, indirectly or beneficially, by each specified Director and KMP, including their personally-related entities as at reporting date, is as follows:

KEY MANAGEMENT PERSONNEL 2018	HELD AT 30 JUNE 2017	ACQUIRED DURING YEAR	DISPOSED DURING YEAR[3]	EXERCISED	HELD AT 30 JUNE 2018	VESTED AND EXERCISABLE AT 30 JUNE 2018
G English	1,200,000	-	(400,000)	-	800,000	-
S Biggins[1]	3,000,000	5,000,000	(500,000)	(1,000,000)	6,500,000	-
H Hellewell	1,200,000	-	(400,000)	-	800,000	-
D Rawlings[2]	160,000	800,000	-	(160,000)	800,000	-
B Duncan[2]	-	1,500,000	-	-	1,500,000	-
J Kopias	1,200,000	-	(400,000)	-	800,000	-
Total	6,760,000	7,300,000	(1,700,000)	(1,160,000)	11,200,000	-

1 *Represents issue of performance rights to Mr Biggins under the Company's Performance Share Plan and approved by shareholders on 21 June 2018.*

2 *Acquisition during the year represents issue of performance rights to Mr Rawlings and Mr Duncan under the Company's Performance Share Plan.*

3 *Represents performance rights that lapsed during the year as the performance conditions were not met.*

E. Other information

Transactions with key management personnel

Transactions with key management personnel are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Greg English

Core Exploration engaged Piper Alderman during the year, a firm in which Mr English is a partner on commercial terms for the provision of legal services. Core exploration has paid $71,679 (2017: $46,345) of legal fees during the financial year. The total amount of fees due to the legal firm as at 30 June 2018 was $9,933 (2017: $692).

Heath Hellewell

Neogold Enterprises Pty Ltd, a company of which Mr Hellewell holds a beneficial interest, was paid Director's fees in relation to the year totalling $40,000 (2017: $40,000) and is disclosed in the remuneration report. The total amount of fees due to Neogold Enterprises Pty Ltd as at 30 June 2018 was $3,335 (2017: $3,334).

Jarek Kopias

Kopias Consulting, a business of which Jarek Kopias is a Director, was paid consulting fees in relation to the year totalling $119,745 (2017: $102,830) and is disclosed in the remuneration report. The total amount of fees due to Kopias Consulting as at 30 June 2018 was $12,578 (2017: $10,433).

END OF AUDITED REMUNERATION REPORT

ENVIRONMENTAL LEGISLATION

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

The Group's operations are subject to various environmental regulations under the Commonwealth and State Laws of Australia. The majority of its activities involve low level disturbance associated with exploration drilling programs. Approvals, licences, hearings and other regulatory requirements are performed, as required, by the Group's management for each permit or lease in which the Group has an interest.

INDEMNITIES GIVEN AND INSURANCE PREMIUMS PAID TO AUDITORS AND OFFICERS

During the reporting year, the Company paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all officers.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policies is not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the reporting period, except to the extent permitted by law, indemnified or agreed to indemnity any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

NON-AUDIT SERVICES

During the reporting period Grant Thornton performed certain other services in addition to its statutory duties.

The Board has considered the non-audit services provided during the reporting period by the auditor and is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth) for the following reasons:

The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company and its related practices for audit and non-audit services provided during the reporting period are set out in note 15 to the Financial Statements.

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* (Cth) is included on page 36 of this Financial Report and forms part of this Directors' Report.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company, or intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

CORPORATE GOVERNANCE

The Board has adopted the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations – 3rd Edition" (ASX Recommendations). The Board continually monitors and reviews its existing and required policies, charters and procedures with a view to ensuring its compliance with the ASX Recommendations to the extent deemed appropriate for the size of the Company and its development status.

A summary of the Company's ongoing corporate governance practices is set out annually in the Company's Corporate Governance Statement and can be found on the Company's website at *www.coreexploration.com.au*.

Signed in accordance with a resolution of the Directors.

Stephen Biggins
MANAGING DIRECTOR

Adelaide

27 September 2018

Grant Thornton

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Auditor's Independence Declaration

To the Directors of Core Exploration Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Core Exploration Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b No contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

Iain Kemp

I S Kemp
Partner - Audit & Assurance

Adelaide, 27 September 2018

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2018

	NOTES	2018 $	2017 $
Interest income		90,737	125,927
Employee benefits expense	18(a)	(720,350)	(466,470)
Exploration expense		(41,123)	(54,925)
Impairment expense	7	(502,466)	(883,902)
Depreciation expense	8	(33,023)	(19,022)
Share based payments expense	12	19,105	(116,817)
Other expenses	2	(907,210)	(582,297)
Loss before tax		(2,094,330)	(1,997,506)
Income tax benefit / (loss)	3	-	63,817
Loss for the period from continuing operations attributable to owners of the parent		(2,094,330)	(1,933,689)
Other comprehensive income attributable to owners of the parent		-	-
Total comprehensive loss for the period attributable to owners of the parent		(2,094,330)	(1,933,689)
Earnings per share from continuing operations			
Basic and diluted Loss – cents per share	4	(0.43)	(0.56)

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2018

	NOTES	2018 $	2017 $
ASSETS			
Current assets			
Cash and cash equivalents	5	8,003,629	6,123,017
Trade and other receivables	6	585,750	368,513
Total current assets		8,589,379	6,491,530
Non-current assets			
Exploration and evaluation expenditure	7	18,307,502	9,392,840
Plant and equipment	8	137,478	99,669
Total non-current assets		18,444,980	9,492,509
TOTAL ASSETS		27,034,359	15,984,039
LIABILITIES			
Current liabilities			
Trade and other payables	9	817,750	853,623
Employee provisions	10	19,230	4,964
Total current liabilities		836,980	858,587
TOTAL LIABILITIES		836,980	858,587
NET ASSETS		26,197,379	15,125,452
EQUITY			
Issued capital	11	36,386,835	23,945,311
Reserves	12	1,090,235	627,377
Accumulated losses		(11,279,691)	(9,447,236)
TOTAL EQUITY		26,197,379	15,125,452

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the year ended 30 June 2018

2018	SHARE CAPITAL $	OPTION / RIGHTS RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
Balance at beginning of year	23,945,311	627,377	(9,447,236)	15,125,452
Share purchase plan, acquisition of exploration projects and exercise of options / rights	13,582,704	-	-	13,582,704
Issue costs	(1,320,924)	-	-	(1,320,924)
Fair value and lapse of performance rights and options issued to officers, employees and shareholders	179,744	462,858	261,875	904,477
Transactions with owners	12,441,524	462,858	261,875	13,166,257
Comprehensive income:				
Total profit or loss for the reporting year	-	-	(2,094,330)	(2,094,330)
Total other comprehensive income for the reporting year	-	-	-	-
Balance 30 June 2018	36,386,835	1,090,235	(11,279,691)	26,197,379

2017	SHARE CAPITAL $	OPTION / RIGHTS RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
Balance at beginning of year	15,298,164	461,724	(7,519,927)	8,239,961
Rights issue, share purchase plan, acquisition of exploration projects and exercise of options	9,241,985	-	-	9,241,985
Issue costs	(608,436)	-	-	(608,436)
Fair value and lapse of performance rights and options issued to officers, employees and shareholders	13,598	165,653	6,380	185,631
Transactions with owners	8,647,147	165,653	6,380	8,819,180
Comprehensive income:				
Total profit or loss for the reporting year	-	-	(1,933,689)	(1,933,689)
Total other comprehensive income for the reporting year	-	-	-	-
Balance 30 June 2017	23,945,311	627,377	(9,447,236)	15,125,452

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the year ended 30 June 2018

	NOTES	2018 $	2017 $
Operating activities			
Interest received		92,570	122,504
Research and development tax benefit		63,817	-
Payments to suppliers and employees		(1,437,190)	(1,132,955)
Net cash used in operating activities	13	(1,280,803)	(1,010,451)
Investing activities			
Payments for plant and equipment		(81,016)	(59,890)
Proceeds on sale of plant and equipment		14,050	-
Payments for capitalised exploration expenditure		(7,782,507)	(3,746,130)
Net cash used in investing activities		(7,849,473)	(3,806,020)
Financing activities			
Proceeds from issue of share capital		11,573,491	9,134,784
Capital raising costs		(562,603)	(608,437)
Net cash from financing activities		11,010,888	8,526,347
Net change in cash and cash equivalents		1,880,612	3,709,876
Cash and cash equivalents, beginning of year		6,123,017	2,413,141
Cash and cash equivalents, end of year	5 (a)	8,003,629	6,123,017

This statement should be read in conjunction with the notes to the financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Core Exploration Limited is a listed company, registered and domiciled in Australia. Core Exploration Limited is a for profit entity for the purpose of preparing the financial statements.

The consolidated financial statements for the reporting period ended 30 June 2018 were approved and authorised by the Board of Directors on 27 September 2018.

The Financial Report has been prepared on an accruals basis, and is based on historical costs, modified by the measurement at fair value of selected on-current assets, financial assets and financial liabilities.

Comparatives

Comparative information for 2017 is for the full year commencing on 1 July 2016.

The significant policies which have been adopted in the preparation of this financial report are summarised below.

a) Principles of consolidation

SUBSIDIARIES

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 30 June 2018. Subsidiaries are all entities (including structured entities) over which the Group control. The Group controls an entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is fully transferred to the Group. They are deconsolidated from the date that control ceases. All subsidiaries have a reporting date of 30 June.

A list of controlled entities is contained in note 14 to the Financial Statements.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

Profit or loss of subsidiaries acquired or disposed of during the reporting period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

b) Business combinations

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (ie gain on a bargain purchase) is recognised in profit or loss immediately.

c) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the Board.

The Group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in the nature of the minerals targeted.

Operating segments that meet the quantitative criteria, as prescribed by AASB 8, are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

d) Finance income and expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets and changes in fair value of financial assets held at fair value through profit or loss.

Interest income is recognised as it accrues in the statement of profit or loss, using the effective interest rate method. All income is stated net of goods and services tax (GST).

e) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the items. Repairs and maintenance are charged to profit or loss during the reporting period in which they were incurred.

Depreciation is calculated using the straight-line method to allocate asset costs over their estimated useful lives, as follows:

Exploration equipment	3 years
Office and IT equipment	3 years
Leasehold improvements	5 years

The assets residual values and useful lives are reviewed and adjusted at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

f) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that right of tenure is current and those costs are expected to be recouped through the successful development of the area (or, alternatively by its sale) or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and operations in relation to the area are continuing.

Accumulated costs, in relation to an abandoned area, are written off in full against profit in the period in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

g) Financial instruments

INITIAL RECOGNITION AND MEASUREMENT

Financial assets and financial liabilities are recognised when the entity becomes a party to the provisions to the instrument. For financial assets this is equivalent to date that the Group commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as 'fair value through profit and loss', in which case the costs are expensed to the statement of profit or loss immediately.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest method or cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value.

The Group does not designate any interest in subsidiaries as being subject to the requirements of accounting standards specifically applicable to financial instruments:

I) LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets except for those not expected to mature within 12 months after the end of the reporting period.

II) FINANCIAL LIABILITIES

Non-derivative financial liabilities are subsequently measured at cost.

IMPAIRMENT

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

h) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Where it is not probable to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

i) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivables. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less provision for impairment. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

j) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently amortised cost using the effective interest rate method.

Trade and other payables are stated at amortised cost.

k) Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set-off current tax assets and liabilities from the same taxation authority.

The Research & Development tax credit is brought to account as a tax benefit and offsets any tax losses during the reporting period.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

The Company and its wholly-owned Australian resident subsidiaries have formed a tax-consolidated group. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

l) Leases

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Leases of land and buildings are classified separately and are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is recognised initially.

Depreciation methods and useful lives for assets held under finance lease agreements correspond to those applied to comparable assets which are legally owned by the Group. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed as part of finance costs.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to profit or loss over the period of the lease. All other leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

m) Earnings per share

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group, excluding costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

n) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

o) Share-based payments

The Group has provided payment to related parties in the form of share-based compensation, whereby related parties render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value of share options is determined using a Black and Scholes methodology depending on the nature of the option terms. The fair value in relation to performance rights is calculated using a Monte Carlo simulation.

The Black and Scholes option pricing model takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Monte Carlo simulation used in pricing the performance rights takes into account the target share price resulting from meeting the KPI, the term of the right, the share price at grant date and expected price volatility of the underlying share and the risk free interest rate for the term of the option.

The fair value of the options and performance rights granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options and performance rights that are expected to become exercisable / vested. At each reporting date, the entity revises its estimates of the number of options and performance rights that are expected to become exercisable / vested.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

p) Employee benefits

The Group provides post-employment benefits through various defined contribution plans.

A defined contribution plan is a superannuation plan under which the Group pays fixed contributions into an independent entity. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The Group contributes to several plans and insurances for individual employees that are considered defined contribution plans. Contributions to the plans are recognised as an expense in the period that relevant employee services are received.

Short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that the Group expects to pay as a result on the unused entitlement. Annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability as the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of the reporting period. Annual leave liability is still presented as a current liability for presentation purposes under AASB 101 Presentation of Financial Statements.

q) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

r) Parent entity

The financial information of the parent entity, Core Exploration Limited, disclosed in the notes to the financial report has been prepared on the same basis as the consolidated financial statements.

s) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends of economic data, obtained both externally and within the Group.

I) KEY ESTIMATES – IMPAIRMENT

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

II) KEY JUDGEMENTS – EXPLORATION AND EVALUATION EXPENDITURE

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

III) SHARE-BASED PAYMENT TRANSACTIONS

The Group measures the cost of equity-settled transactions with key management personnel and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Board of Directors with reference to quoted market prices or using the Black and Scholes valuation method or Monte Carlo valuation method as appropriate taking into account the terms and conditions upon which the equity instruments were granted. The assumptions in relation to the valuation of the equity instruments are detailed in note 18. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

t) Adoption of the new and revised accounting standards

In the current year, there are no new and/or revised Standards and Interpretations adopted in these Financial Statements affecting presentation or disclosure and the reported result or financial position.

u) Recently issued accounting standards to be applied in future accounting periods

The accounting standards that have not been early adopted for the year ended 30 June 2018 but will be applicable to the Group in future reporting periods are detailed below. Apart from these standards, we have considered other accounting standards that will be applicable in future periods but are considered insignificant to the Group.

STANDARD / INTERPRETATION	NATURE OF CHANGE	EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER	EXPECTED TO BE INITIALLY APPLIED IN THE FINANCIAL YEAR ENDING
AASB 9 'Financial Instruments'	New requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially changed approach to hedge accounting.	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers'	AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations: • establishes a new revenue recognition model • changes the basis for deciding whether revenue is to be recognised over time or at a point in time • provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing) • expands and improves disclosures about revenue.	1 January 2018	30 June 2019
AASB 16 'Leases'	Requires all leases to be accounted for 'on-balance sheet' for lessees other than short-term and low value asset leases.	1 January 2019	30 June 2020

We do not expect these accounting standards will have any material impact on our financial results upon adoption except for AASB 16 'Leases' that will result in the recognition of the Group's office lease on the balance sheet.

2. OTHER EXPENSES

	2018 $	2017 $
Compliance	112,411	105,534
Office expenses	140,869	106,658
Legal, insurance and registry	115,240	125,794
Contractors / consultants	80,364	33,075
Broker and investor relations	273,756	121,941
Loss on sale of assets	-	2,533
Other expenses	184,570	88,762
Total other expenses	907,210	582,297

3. INCOME TAX BENEFIT / (LOSS)

	2018 $	2017 $
a) The components of income tax expense comprise:		
Current income tax expense / (benefit)	-	(63,817)
b) The prima facie tax loss before income tax is reconciled to the income tax (benefit) / expense as follows:		
Net gain / (loss)	(2,094,330)	(1,997,506)
Income tax rate	27.5%	27.5%
Prima facie tax benefit on loss from activities before income tax	(575,941)	(549,314)
Tax benefit received / (repaid) in relation to Research and Development	-	63,817
Tax effect of temporary differences not brought to account as they do not meet the recognition criteria	43,184	(51,654)
Distribution of Exploration Development Incentive credits	952,967	317,736
Distribution of Junior Minerals Exploration Incentive credits	750,000	-
Deferred tax asset not realised as recognition criteria not met	(1,170,210)	219,415
Subtotal	-	-
Tax expense / (benefit) in relation to research and development	-	(63,817)
Income tax expense / (benefit)	-	(63,817)
c) Deferred tax assets have not been recognised in respect of the following:		
Deferred tax asset has not been recognised	18,831,573	15,896,960
Tax losses	5,448,637	4,641,619

4. EARNINGS PER SHARE

The weighted average number of shares for the purpose of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	2018 \#	2017 \#
Weighted average number of shares used in basic earnings per share	490,534,911	343,037,976
Weighted average number of securities used in diluted earnings per share	527,939,580	460,633,750
Loss per share – basic and diluted (cents)	(0.43)	(0.56)

There were 37,404,669 options and rights outstanding at the end of the year (2017: 117,595,774) that have not been taken into account in calculating diluted EPS due to their effect being anti-dilutive.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following:

	2018 $	2017 $
Cash at hand and in bank:		
Cash at bank	753,629	623,017
Short-term deposits	7,250,000	5,500,000
Cash and cash equivalents	8,003,629	6,123,017
a) Reconciliation of cash at the end of the period.		
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:		
Cash and cash equivalents	8,003,629	6,123,017

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables include the following:

	2018 $	2017 $
Interest receivable	14,732	16,565
Drilling bonds receivable	494,201	249,082
GST receivable	74,417	36,649
Research and Development tax benefit receivable	-	63,817
Other receivables	2,400	2,400
Total receivables	585,750	368,513

No receivables are considered past due and / or impaired.

7. EXPLORATION AND EVALUATION EXPENDITURE

	2018 $	2017 $
Opening balance	9,392,840	6,253,772
Expenditure on exploration during the year	7,458,251	4,077,895
Fair value of exploration tenements acquired	2,000,000	-
Impairment of capitalised exploration	(502,466)	(883,902)
Exploration expenditure expensed	(41,123)	(54,925)
Closing balance	18,307,502	9,392,840

The impairment of capitalised exploration represents the write down of tenements that have been relinquished during the financial year.

8. PLANT AND EQUIPMENT

2018	EXPLORATION EQUIPMENT $	OFFICE AND IT EQUIPMENT $	MOTOR VEHICLES $	TOTAL $
Gross carrying amount				
Opening balance	69,962	99,595	69,683	239,240
Additions	4,577	32,585	55,965	93,127
Disposals	(14,545)	-	-	(14,545)
Balance 30 June 2018	59,994	132,180	125,648	317,822
Depreciation and impairment				
Opening balance	(31,520)	(74,463)	(33,588)	(139,571)
Depreciation[1]	(10,184)	(18,395)	(14,628)	(43,207)
Disposals	2,434	-	-	2,434
Balance 30 June 2018	(39,270)	(92,858)	(48,216)	(180,344)
Carrying amount 30 June 2018	20,724	39,322	77,432	137,478

2017	EXPLORATION EQUIPMENT $	OFFICE AND IT EQUIPMENT $	MOTOR VEHICLES $	TOTAL $
Gross carrying amount				
Opening balance	48,243	111,965	53,683	213,891
Additions	24,508	17,241	16,000	57,749
Disposals	(2,789)	(29,611)	-	(32,400)
Balance 30 June 2017	69,962	99,595	69,683	239,240
Depreciation and impairment				
Opening balance	(26,258)	(92,833)	(23,274)	(142,365)
Depreciation[1]	(7,656)	(8,708)	(10,314)	(26,678)
Disposals	2,394	27,078	-	29,472
Balance 30 June 2017	(31,520)	(74,463)	(33,588)	(139,571)
Carrying amount 30 June 2017	38,442	25,132	36,095	99,669

1 *Exploration equipment depreciation is charged to exploration assets. The remaining depreciation of $33,023 (2017: $19,022) is charged to the statement of profit or loss.*

9. TRADE AND OTHER PAYABLES

Trade and other payables, which are all current, recognised in the statement of financial position can be analysed as follows:

	2018 $	2017 $
Trade and other payables	540,040	458,424
Accrued expenses	277,710	395,199
Total trade and other payables	817,750	853,623

10. SHORT TERM PROVISIONS

All provisions are considered current. The carrying amounts may be analysed as follows:

	2018 $	2017 $
Opening balance	4,964	571
Movement in provisions – employee entitlements	14,266	4,393
Closing balance	19,230	4,964

11. ISSUED CAPITAL

2018	NUMBER OF SHARES	$
a) Issued and paid up capital		
Fully paid ordinary shares	633,591,657	36,386,835
b) Movements in fully paid shares		
Opening balance	376,546,066	23,945,311
Share purchase plan	15,571,733	825,302
Share placements	155,099,064	8,454,050
Acquisition of exploration tenements	39,232,025	2,000,000
Exercise of quoted options and unquoted rights (including fair value)	47,142,769	2,483,095
Issue costs	-	(1,320,923)
Balance as 30 June 2018	633,591,657	36,386,835

2017	NUMBER OF SHARES	$
a) Issued and paid up capital		
Fully paid ordinary shares	376,546,066	23,945,311
	376,546,066	23,945,311
b) Movements in fully paid shares		
Opening balance	270,928,583	15,298,164
Share purchase plan	32,861,263	2,957,514
Share placement	66,895,188	6,020,567
Acquisition of exploration tenements	2,086,957	105,000
Exercise of quoted and unquoted options (including fair value)	3,774,075	172,503
Issue costs	-	(608,437)
Balance as 30 June 2017	376,546,066	23,945,311

The share capital of Core Exploration Ltd consists only of fully paid ordinary shares. All shares are eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Core Exploration Ltd.

None of the parent's shares are held by any company in the Group.

The shares do not have a par value and the Company does not have a limited amount of authorised capital.

In the event of winding up the Group, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

c) Capital management

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure accordingly. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business – including through the issue of shares. The Group's capital is shown as issued capital in the statement of financial position.

The Group is not subject to any external capital restrictions.

12. RESERVES

Share based payments are in line with the Core Exploration Limited remuneration policy, details which are outlined in the director's report. Listed below are summaries of options and performance rights granted:

RECONCILIATION OF OPTIONS / RIGHTS RESERVE	2018 $	2017 $
Opening balance	627,377	461,724
Issue of options during the year	796,575	116,944
Issue of performance rights during the year	147,307	71,015
Exercise of options / rights	(188,957)	(15,799)
Lapse of options and performance rights	(292,067)	(6,507)
Closing balance	1,090,235	627,377

RECONCILIATION OF SHARE BASED PAYMENTS EXPENSE	2018 $	2017 $
Options issued to directors / employees	27,167	-
Options issued to contractors	769,408	116,944
Performance rights issued to directors / employees	147,307	71,015
Total share based payments	943,882	187,959
Performance rights lapsed due to failing vesting condition recognised in profit or loss	(30,192)	(127)
Options to equity – capital raising costs	(758,321)	-
Net share based payments recognised in statement of financial position	155,369	187,832
Share based payment classified as employee benefit expense in profit or loss	(174,474)	(71,015)
Net share based payment expense / (gain) in profit or loss	(19,105)	116,817

SHARE OPTION RESERVE	NUMBER OF OPTIONS	2018 $	WEIGHTED AVERAGE EXERCISE PRICE
Opening balance	117,730,884	558,563	$0.054
Issued to contractors as remuneration	58,604,000	769,408	$0.080
Issued to employees as remuneration	1,500,000	27,167	$0.070
Exercised	(45,882,769)	(179,744)	$0.050
Cancelled / lapsed	(66,848,115)	(261,875)	$0.050
Balance at 30 June 2018	65,104,000	913,519	$0.084

SHARE OPTION RESERVE	NUMBER OF OPTIONS	2017 $	WEIGHTED AVERAGE EXERCISE PRICE
Opening balance	118,064,959	461,724	$0.051
Issued to contractors as remuneration	5,000,000	116,944	$0.138
Exercised	(3,134,075)	(13,598)	$0.050
Cancelled / lapsed	(2,200,000)	(6,507)	$0.087
Balance at 30 June 2017	117,730,884	558,563	$0.054

During the 2017/18 year:

- 58,604,000 unquoted options were issued to contractors as remuneration;
- 1,500,000 unquoted options were issued to KMP as remuneration;
- 45,882,769 quoted options were exercised by shareholders; and
- 66,848,115 quoted options lapsed.

During the 2016/17 year:

- 5,000,000 unquoted options were issued to contractors as remuneration;
- 3,134,075 quoted and unquoted options were exercised by shareholders; and
- 2,200,000 unquoted options lapsed.

PERFORMANCE RIGHTS RESERVE	NUMBER OF RIGHTS	2018 $
Opening balance	6,960,000	68,814
Issued to Directors, KMP and employees	7,900,000	147,307
Exercised	(1,260,000)	(9,213)
Lapsed	(1,800,000)	(30,192)
Balance at 30 June 2018	11,800,000	176,716

PERFORMANCE RIGHTS RESERVE	NUMBER OF RIGHTS	2017 $
Opening balance	-	-
Issued to Directors, KMP and employees	7,600,000	71,015
Exercised	(640,000)	(2,201)
Balance at 30 June 2017	6,960,000	68,814

Performance rights were issued as KMP and employee remuneration with related KPI's as detailed in the Directors' Report.

Nature and purpose of reserves

The share option reserve and performance rights reserve is used to recognise the fair value of all options and performance rights.

13. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

OPERATING ACTIVITIES	2018 $	2017 $
Loss after tax	(2,094,330)	(1,933,689)
Share based payments expense	155,369	187,832
Exploration impairment	502,466	883,902
Depreciation expense	33,023	19,022
Net change in working capital	122,669	(167,518)
Net cash used in operating activities	(1,280,803)	(1,010,451)

14. INVESTMENTS IN CONTROLLED ENTITIES

Controlled entities

The Company has the following subsidiaries:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	CLASS OF SHARES	PERCENTAGE HELD 2017	PERCENTAGE HELD 2018
Sturt Exploration Pty Ltd	Australia	Ordinary	100%	100%
DBL Blues Pty Ltd	Australia	Ordinary	100%	100%
Lithium Developments Pty Ltd	Australia	Ordinary	100%	100%
Uranium Generation Pty Ltd	Australia	Ordinary	100%[1]	100%
Lithium Developments (Grants NT) Pty Ltd	Australia	Ordinary	0%	100%[2]

1 *Uranium Generation Pty Ltd was registered on 8 February 2017.*

2 *Lithium Developments (Grants NT) Pty Ltd was registered on 3 October 2017.*

15. AUDITOR REMUNERATION

	2018 $	2017 $
Audit services		
Auditors of Core Exploration Limited – Grant Thornton		
Audit and review of Financial Reports	33,350	30,500
Audit services remuneration	33,350	30,500
Other services		
Auditors of Core Exploration Limited – Grant Thornton		
Taxation compliance	10,300	15,600
Total other services remuneration	10,300	15,600
Total remuneration received by Grant Thornton	43,650	46,100

16. COMMITMENTS AND CONTINGENCIES

Lease commitments

The Group has entered into a two year operating lease in relation to its head office premises at 26 Gray Court, Adelaide commencing 25 May 2015 and extended the lease for a further 12 month period to 25 May 2018 – extended to 10 October 2018. Further, the Group has entered into a lease in relation to a regional field office in the Northern Territory to 28 December 2018. Minimum lease payments recognised as an expense during the period amount to $66,392. Remaining amounts due are:

	2018 $	2017 $
Within one year	22,544	60,794
Within two years to five years	-	-
Greater than five years	-	-
	22,544	60,794

The Group's operating lease agreements do not contain any contingent rent clauses.

Exploration commitments

In order to maintain rights of tenure to exploration permits, the Group has certain obligations to perform minimum exploration work and expend minimum amounts of money.

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature or amount of future expenditure. It will be necessary for the Group to incur expenditure in order to retain present interests in exploration licences.

17. RELATED PARTY TRANSACTIONS

The Group's related party transactions include its subsidiaries and key management personnel.

Transactions with key management personnel

Key Management Personnel remuneration includes the following are is disclosed in detail in the remuneration report:

	2018 $	2017 $
Short-term benefits	918,055	723,363
Post-employment benefits	43,663	23,730
Share based payments	162,312	68,775
Total remuneration	1,124,030	815,868

The following transactions occurred with KMP:

	2018 $	2017 $
Payment for professional services to entities associated with related parties	469,873	439,714
Payables for professional services at reporting date	48,646	39,159

Transactions with key management personnel are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Greg English

Core Exploration engaged Piper Alderman during the year, a firm in which Mr English is a partner on commercial terms for the provision of legal services. Core exploration has paid $71,679 (2017: $46,345) of legal fees during the financial year. The total amount of fees due to the legal firm as at 30 June 2018 was $9,933 (2017: $692).

Heath Hellewell

Neogold Enterprises Pty Ltd, a company of which Mr Hellewell holds a beneficial interest, was paid Director's fees in relation to the year totalling $40,000 (2017: $40,000) and is disclosed in the remuneration report. The total amount of fees due to Neogold Enterprises Pty Ltd as at 30 June 2018 was $3,335 (2017: $3,334).

Jarek Kopias

Kopias Consulting, a business of which Jarek Kopias is a Director, was paid consulting fees in relation to the year totalling $119,745 (2017: $102,830) and is disclosed in the remuneration report. The total amount of fees due to Kopias Consulting as at 30 June 2018 was $12,578 (2017: $10,433).

18. EMPLOYEE REMUNERATION

a) Employee benefits expense

Expenses recognised for employee benefits are analysed below:

	2018 $	2017 $
Salaries / contract payments for Directors and employees	1,571,933	1,097,439
Share based payments – Director and employee options and performance rights	174,474	71,015
Defined contribution superannuation expense	103,427	51,639
Employee entitlement provisions	163,646	43,129
Less: Transfer to exploration assets	(1,293,130)	(796,751)
	720,350	466,470

b) Share based employee remuneration

As at 30 June 2018 the Group maintained a share option plan and performance share plan for employee and director remuneration. There were 1,500,000 options and 7,900,000 performance rights granted to KMP and other employees as remuneration.

The table below outlines the inputs used in the Monte Carlo fair value calculation for the performance rights:

	RANGE OF VALUES
Exercise price	Nil
Right life	1.0 -2.3 years
Underlying share price	$0.044 - $0.09
Expected share price volatility	57% - 120%
Risk free interest rate	1.9% - 2.0%
Weighted average fair value	$0.1492
Weighted average contractual life	1.5 years

Details of options and rights issued to KMP are provided in the remuneration report.

The table below outlines the inputs used in the Black and Scholes fair value calculation for the options issued as remuneration:

	RANGE OF VALUES
Fair value	$0.0362
Exercise price	$0.07
Option life	1.8 years
Underlying share price	$0.09
Expected share price volatility	57%
Risk free interest rate	1.9%

Share options and weighted average exercise prices are as follows:

2018	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE ($)
Opening balance - remuneration options	3,700,000	0.050
Granted as remuneration during 2017/18	1,500,000	0.070
Expired	(3,700,000)	0.050
Outstanding as at 30 June 2018	1,500,000	0.070

2017	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE ($)
Opening balance - remuneration options	4,900,000	0.062
Granted as remuneration during 2016/17	-	-
Expired	(1,200,000)	0.098
Outstanding as at 30 June 2017	3,700,000	0.050

Fair value of options granted

The fair value at grant date of the Director and KMP options has been determined using a Black and Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Fair value of performance rights granted

The fair value at grant date of the Director, KMP and employee performance rights has been determined using a Monte Carlo pricing model that takes into account the term of the right, the impact of dilution, the impact of the KPI on the underlying share price, the non-tradeable nature of the right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right.

19. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The total for each category of financial instruments are as follows:

	NOTE	2018 $	2017 $
Financial assets			
Cash and cash equivalents	5	8,003,629	6,123,017
Trade and other receivables	6	585,750	368,513
		8,589,379	6,491,530
Financial liabilities			
Trade and other payables	9	817,750	853,623

Financial risk management policy

Risk management is carried out by the Managing Director under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as monitoring specific areas, such as interest rate and credit risk.

a) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained for the coming months. Upcoming capital needs and the timing of raisings are assessed by the board.

Financial liabilities are expected to be settled within 12 months.

b) Interest rate risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates. Cash is the only asset affected by interest rate risk as cash is the Group's only financial asset exposed to fluctuating interest rates.

The Group is exposed to interest rate risk on cash balances and term deposits held in interest bearing accounts. The Board constantly monitors its interest rate exposure and attempts to maximise interest income by using a mixture of fixed and variable interest rates, whilst ensuring sufficient funds are available for the Group's operating activities. The Group's net exposure to interest rate risk at 30 June 2018 approximates the value of cash and cash equivalents.

c) Sensitivity analysis

INTEREST RATE

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

2018		EFFECT ON:	
	SENSITIVITY*	PROFIT $	EQUITY $
Interest rate	+ 1.30%	+76,300	+76,300
	- 1.30%	-76,300	-76,300

2017		EFFECT ON:	
	SENSITIVITY*	PROFIT $	EQUITY $
Interest rate	+ 1.30%	+73,100	+73,100
	- 1.30%	-73,100	-73,100

* *The method used to arrive at the possible change of 150 basis points was based on the analysis of the absolute nominal change of the Reserve Bank of Australia (RBA) monthly issued cash rate. Historical rates indicate that for the past five financial years, interest rate movements ranged between 0 to 130 basis points. It is considered that 130 basis points a 'reasonably possible' estimate as it accommodates for the maximum variations inherent in the interest rate movement over the past five years.*

The fair values of all financial assets and liabilities of the Group approximate their carrying values.

d) Net fair values of financial assets and financial liabilities

Fair value is the price that would be required to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.

The net fair values of financial assets and liabilities are determined by the Group based on the following:

i) Monetary financial assets and financial liabilities not readily traded in an organised financial market are carried at book value.

ii) Non-monetary financial assets and financial liabilities are recognised at their carrying values recognised in the Statement of financial position.

The carrying amount of financial assets and liabilities is equivalent to fair value at reporting date.

20. PARENT ENTITY INFORMATION

Information relating to Core Exploration Limited (the parent entity).

	2018 $	2017 $
Statement of financial position		
Current assets	8,095,178	6,242,447
Total assets	27,034,358	15,984,039
Current and total liabilities	836,980	858,587
Issued capital	36,386,835	23,945,311
Retained losses	11,279,692	9,447,236
Share based payments reserve	1,090,235	627,377
Statement of profit of loss and other comprehensive income		
Loss for the period	2,090,330	1,933,688

21. OPERATING SEGMENTS

The Directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources have concluded that at this time there are no separately identifiable segments.

22. EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

Since the end of the financial year, the Company has issued the following securities on 5 September 2018:

- 170,000 shares upon exercise of employee rights;
- 2,140,000 unquoted performance rights to employees and contractors as remuneration; and
- 10,000,000 unquoted options as a fee for financial advisory services, at an issue price of $0.00001 each, exercisable at $0.080 each and expiry of 5 September 2022.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Directors' Declaration

In the opinion of the Directors of Core Exploration Limited:

a) the consolidated financial statements and notes of Core Exploration Limited are in accordance with the *Corporations Act 2001* (Cth), including:

   i) giving a true and fair view of its financial position as at 30 June 2018 and of its performance for the financial period ended on that date; and

   ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001* (Cth); and

b) there are reasonable grounds to believe that Core Exploration Limited will be able to pay its debts when they become due and payable.

The directors have been given the declaration required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2018.

Note 1 confirms that the consolidated financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

Stephen Biggins
MANAGING DIRECTOR

Adelaide

27 September 2018

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Independent Auditor's Report

To the Members of Core Exploration Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Core Exploration Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets – Note 7	

At 30 June 2018, the carrying value of exploration and evaluation assets was $18,307,502.
 	
In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.
 	
The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.
 	
This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.
	Our procedures included, amongst others:
	
	• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;
	• reviewing management's area of interest considerations against AASB 6;
	• conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including;
	   o tracing projects to exploration licenses and statutory register to determine whether a right of tenure existed;
	   o enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;
	   o understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;
	• assessing the accuracy of impairment recorded for the year as it pertained to exploration interests;
	• evaluating the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and
	• assessing the appropriateness of the related financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Grant Thornton

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2018.
In our opinion, the Remuneration Report of Core Exploration Limited, for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Iain Kemp

I S Kemp
Partner – Audit & Assurance

Adelaide, 27 September 2018

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 31 August 2018.

The Company is listed on the Australian Securities Exchange.

SUBSTANTIAL SHAREHOLDERS

The number of substantial shareholders and their associates are set out below:

	ORDINARY SHARES	%
Ya Hua International Investment and Development Co. Ltd	59,815,094	9.44

VOTING RIGHTS

Ordinary shares On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options No voting rights.

Performance rights No voting rights.

DISTRIBUTION OF EQUITY BY SECURITY HOLDERS

	QUOTED	UNQUOTED					
HOLDING	ORDINARY SHARES	OPTIONS					PERFORMANCE RIGHTS
		$0.125 28-FEB-19	$0.15 28-FEB-19	$0.08 21-JUN-19	$0.07 30-SEP-19	$0.10 9-MAY-20	
1 – 1,000	144	-	-	-	-	-	-
1,001 – 5,000	41	-	-	-	-	-	-
5,001 – 10,000	291	-	-	-	-	-	-
10,001 – 100,000	1,356	-	-	-	-	-	-
100,001 and over	954	1	1	28	1	9	9
Number of holders	**2,786**	**1**	**1**	**28**	**1**	**9**	**9**
Securities	**633,591,657**	**2,500,000**[1]	**2,500,000**[1]	**58,104,000**[2]	**1,500,000**[3]	**500,000**[4]	**10,300,000**

1 *Held by Zenix Nominees Pty Ltd.*
2 *Zenix Nominees Pty Ltd holds 31,749,000 unquoted options in this class.*
3 *Issued under an employee incentive scheme.*
4 *Held by Purple Communications Australia Pty Ltd.*

There were 492 holders of less than a marketable parcel of ordinary shares ($500 amounts to 10,869 shares).

There are no restricted securities on issue subject to voluntary escrow.

TWENTY LARGEST HOLDERS OF ORDINARY SHARES

		NO. OF SHARES HELD	% HELD
1	Ya Hua International Investment and Development Co. Ltd	59,815,094	9.44
2	Mining Value Fund Pty Ltd	10,000,000	1.58
3	Mr George Chien Hsun Lu & Mrs Jenny Chin Pao Lu	8,130,000	1.28
4	Thessa Pty Ltd	6,000,000	0.95
5	Nowak Investments Pty Ltd <Nowak S/F A/C>	5,979,680	0.94
6	Mr George Chien Hsun Lu	5,826,000	0.92
7	Lu's International Limited	5,800,000	0.92
8	Eighteen Speed Overdrive Pty Ltd <The Galaxy Supernova SF A/C>	5,538,093	0.87
9	Gempart NT Pty Ltd	5,950,000	0.94
10	Mr Anton Makaryn & Mrs Melanie Makaryn <TMAK S/F A/C>	5,121,279	0.81
11	6466 Investments Pty Ltd	5,000,000	0.79
12	Mrs Luigina Ivory	4,517,263	0.71
13	GDE Exploration (SA) Pty Ltd <A1 English Family A/C>	4,000,000	0.63
14	Citicorp Nominees Pty Limited	3,797,906	0.60
15	Tarmo Investments Pty Ltd	3,629,286	0.57
16	Butler SF Pty Ltd <B & D Butler Family S/F A/C>	3,500,000	0.55
17	WGS Pty Ltd	3,388,000	0.53
18	BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client DRP A/C>	3,334,693	0.53
19	Smundin Group Pty Ltd	3,280,000	0.52
20	Mr Lloyd Hamilton Bunting	3,068,458	0.48
		155,675,752	24.56
	Total ordinary shares on issue	633,591,657	100.00