



ASX ANNOUNCEMENT

ASX: CXO

16th January 2017

DIAMOND DRILLING RECOMMENCED AT FINNISS PROJECT FURTHER PHASE 2 RC DRILL ASSAYS EXPECTED SHORTLY

HIGHLIGHTS

- **Diamond drilling has recommenced at Core's Finnis Lithium Project to follow-up the successful Phase 2 RC program**
- **Expanded Phase 2 drilling program consisting of ~6,900m of RC drilling was completed in December with drilling continuing up to Christmas**
- **Phase 2 RC drilling assays results expected to be reported during January and February 2017**
- **The Company is well funded and will continue to aggressively explore and advance its high grade lithium discoveries in 2017**

Core Exploration Ltd (ASX: CXO) ("Core" or the "Company") is pleased to provide an update on its active exploration and drilling programs at the Company's 100% owned Finnis Lithium Project near Darwin in the NT ("Finnis").

Recommencement of Diamond Drilling at Finnis Lithium Project

Core today re-commenced drilling at Finnis with diamond drilling currently underway at the high grade Grants Prospect.

The diamond drilling is following up the high grade spodumene mineralisation discovered by Core's earlier RC drilling programs in 2016, and the Company is currently testing depth extensions of the high grade Grants pegmatite, where Core has been encouraged by continuity and grade of mineralisation visually identified in the drilling to date.

Completion of Phase 2 RC Program

In late 2016, Core completed its expanded Phase 2 RC drilling at Finnis, which consisted of approximately 6,900m of RC drilling, with drilling continuing up until Christmas.



The Company is currently waiting on the assay results from this drilling which are expected during late January and into February 2017. Core will continue to keep the market informed as assays become available.



Figure 1. Track-mounted diamond rig at Grants Prospect, Finniss Lithium Project, NT.

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Finniss Lithium Project Background

Core's Finniss Lithium Project covers a large portion of the Bynoe Lithium-Tantalum-Tin Pegmatite field (Figure 2).



Core’s drilling at Finniss has intersected high lithium grades and spodumene mineralisation within a number of pegmatites at Finniss.

The Bynoe Field is a 15-20 kilometre wide belt of more than 90 tin and tantalum prospects and mines and lithium rich pegmatites which stretches over a distance of 75 kilometres south from Port Darwin and is one of the most prospective areas for lithium in the NT.

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

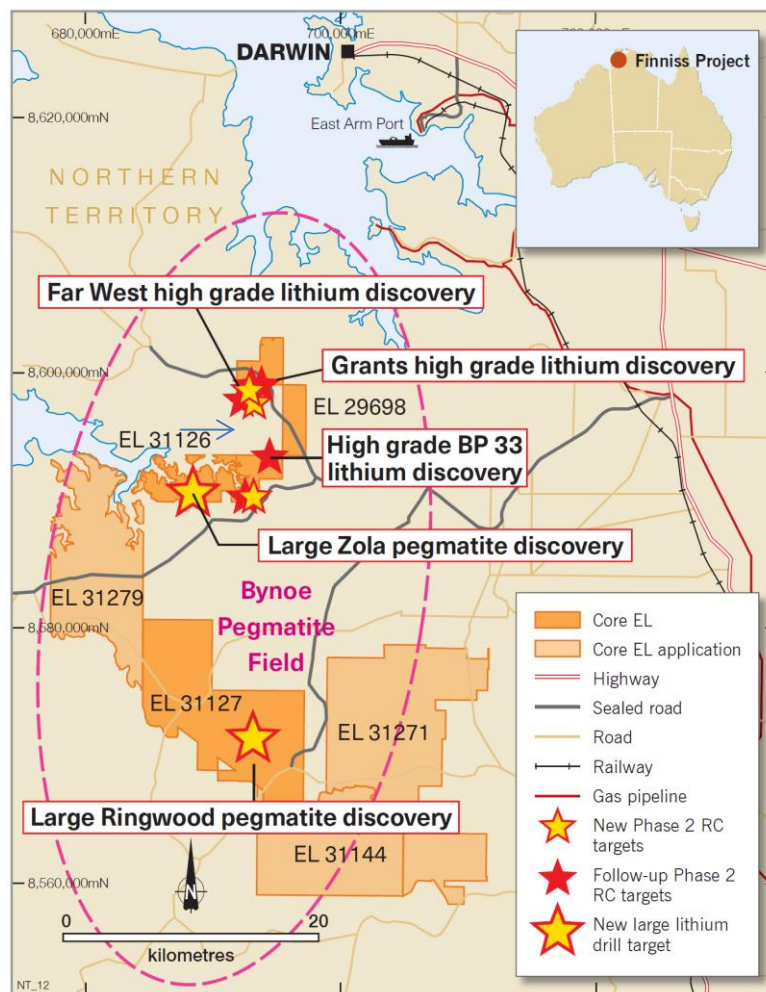


Figure 2. Drill target locations, Finniss Lithium Project near Darwin, NT.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute’s codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Biggins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.