ASX: **CXO** Announcement

23 January 2020

New high-grade lithium intersections to add to Mineral Resource at Carlton

Highlights

- New high-grade lithium results received from all completed drillholes at Carlton
- High-grade lithium intersections outside the current Mineral Resource include:
    - 35m @ 1.32% Li_2O (NRC151)
    - 14m @ 1.40% Li_2O and 8m @ 1.37% Li_2O (NRC154)
    - 23m @ 1.12% Li_2O and 32m @ 1.52 % Li_2O(NRC156)
        - Including 5m @ 2.69% Li_2O
    - 13m @ 1.02% Li_2O and 24m @ 1.08% Li_2O (NRC157)
    - 27m @ 1.24% Li_2O (NRC158)
        - Including 4m @ 2.28% Li_2O
    - 14m @ 1.22% Li_2O (NRCD004)
- At least two spodumene pegmatite bodies confirmed at Carlton
- Carlton open along strike to the south and at depth – most southern drillholes intersected 13m @ 1.02% Li_2O, 24m @ 1.08% Li_2O, 23m @ 1.12% Li_2O and 32m @ 1.52% Li_2O
- Carlton has obvious potential to continue to expand in size beyond the extent defined by current drilling
- Significant Mineral Resource expansion to be announced at Carlton this Quarter
- Maiden Ore Reserve at Carlton to contribute significantly to an expanded mine life at Finniss Lithium Project

Advanced Australian lithium developer, Core Lithium Ltd (**Core** or **Company**) (ASX: CXO), is pleased to announce new high-grade spodumene pegmatite intersections that are expected to expand the Mineral Resource at Carlton Prospect.

The expanding lithium Mineral Resource at Carlton is currently being considered for addition to the development schedule and should add significant mine-life to the Finniss Lithium Project, located near Darwin in the Northern Territory.

Core is currently escalating the Mineral Resources and mine life at Finniss and is close to receiving mine and processing approval to deliver Australia's next construction-ready lithium project.

The Company is developing one of Australia's most capital efficient and lowest cost spodumene lithium projects. The Finniss Lithium Project has arguably the best supporting infrastructure and logistics chain to Asia of any Australian lithium project.

The Finniss Lithium Project is within 25km of port, power station, gas, rail and 1 hour by sealed road to workforce accommodated in Darwin and importantly close to Darwin Port - Australia's nearest port to Asia.

Work is now underway this Quarter on new Mineral Resource assessments on a number of prospects within the larger Finniss Lithium Project including Carlton, BP33, Hang Gong and Booth/Lees.

Carlton Lithium Drill Results

All recently completed reverse circulation (**RC**) drillholes and the single diamond core (**DD**) hole intersected significant intervals of spodumene pegmatite at Carlton.

These new drill results show that the primary pegmatite body at Carlton extends at least a further 100m vertically from previous drilling, and also extends south by an additional 100m (refer Figures 1 and 2).

The >220m strike extent of pegmatite at surface is now mirrored in the subsurface, with true pegmatite width estimated to increase by up to 20% in some sections.

A number of drillholes also intersected a second pegmatite body in addition to the current 'primary' pegmatite (Figure 1). This second body does not outcrop at surface and may become more significant at depth, which provides further upside in any potential underground mining scenario.

Importantly, both the primary and secondary pegmatites are open along strike to the south and at depth.

The new drill intercepts strongly support the concept that the Carlton pegmatite is plunging to the south, a feature in common with both the nearby Grants and BP33 high-grade lithium orebodies (Figure 3).

These new drill results will be used to upgrade the Carlton Mineral Resource over coming weeks.

The new Mineral Resource estimate at Carlton is expected to result in a substantial increase in the size of Inferred and Indicated Mineral Resources and, in parallel to Core's mining studies, add significantly to Ore Reserves and mine life of the Finniss Lithium Project.

Carlton has obvious potential to continue to expand in size beyond the extent defined by current drilling.

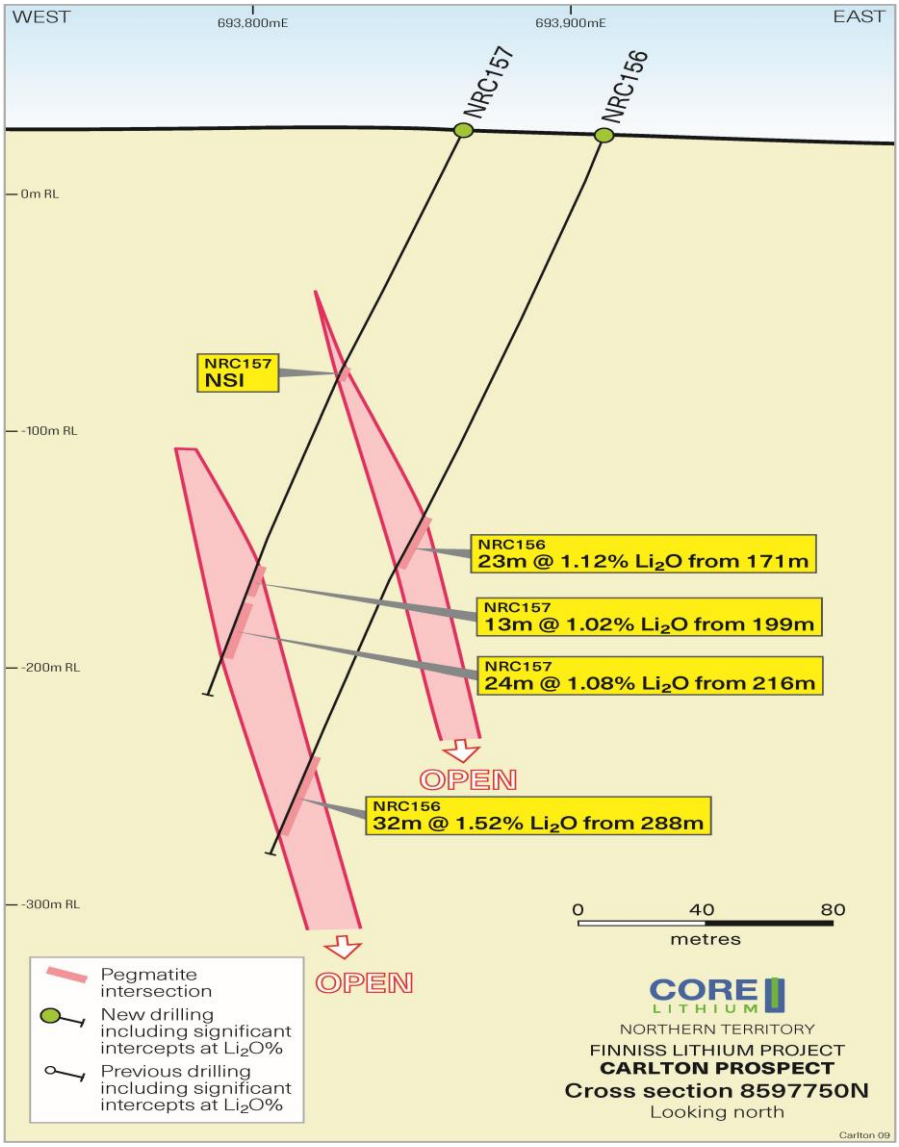

Figure 1: Cross section showing "Primary" and new "Secondary" pegmatite body south of the current Mineral Resource at Carlton

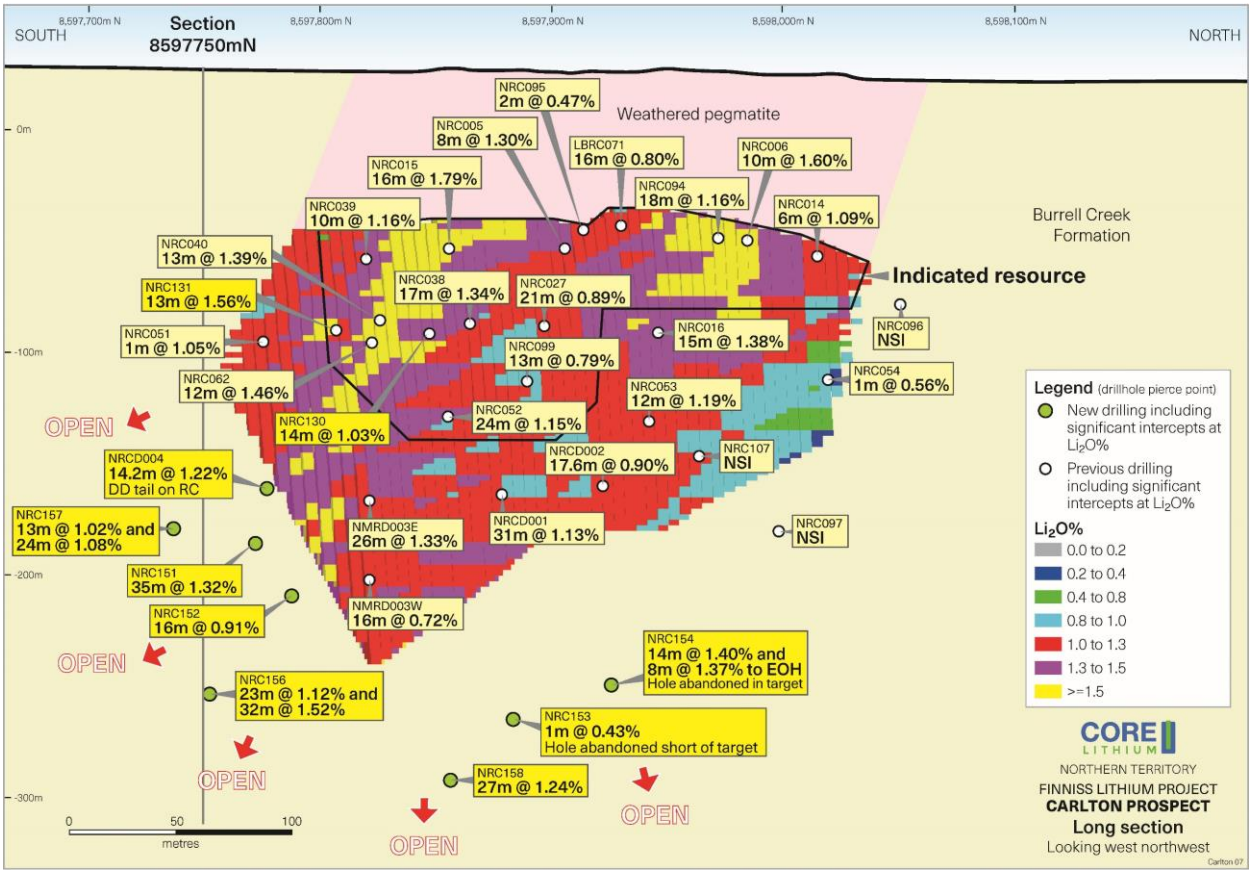

Figure 2: Long section showing the current Mineral Resource (coloured by grade and segregated into resource category), showing previous assays and current drilling geology results as mid-pegmatite pierce points at Carlton. Previously released results as ASX announcements "High-Grade Lithium Intersected in New Spodumene Pegmatites" on 5 February 2018, "New Exploration Intersections Add to Finniss Potential" on 16 August 2018 and "Carlton and Hang Gong to Boost Finniss Resource Base" on 27 November 2018.

Core's Managing Director, Stephen Biggins, commented:

"Core's ability to continue to find, expand and define new high grade spodumene pegmatite deposits at Finniss sets the path to delivering a long-term high-quality lithium supply on Asia's doorstep.

"Recently renewed Chinese Government support for the Electric Vehicle industry is expected to strengthen Asian EV sales alongside remarkable 30%-40% year-on-year growth in EVs in Europe.

"I wouldn't be surprised to see markets panic about the future shortfall in lithium supply as forecasts start to take into account lack of investment in new lithium supply as EV sales accelerate in China and back calculate the time needed for new supply to qualify to be on the road in a lithium battery in a new EV.

"Today's lithium inventory will look like a small speed-bump on the EV super-highway of tomorrow."

Hole No.	GDA94 Grid East	GDA94 Grid North		From (m)	To (m)	Interval (m)	Grade (Li_2O %)	Sample Type
NRC130	693869.74	8597819		131.0	145.0	14.0	1.03	RC Cyclone Split
NRC131	693853.85	8597780.2		131.0	144.0	13.0	1.56	RC Cyclone Split
NRC151	693889.34	8597726.6		216.0	251.0	35.0	1.32	RC Cyclone Split
NRC152	693918.47	8597727.3		262.0	278.0	16.0	0.91	RC Cyclone Split
			and	223.0	226.0	3.0	1.26	RC Cyclone Split
			and	245.0	247.0	2.0	0.42	RC Cyclone Split
			and	253.0	255.0	2.0	0.77	RC Cyclone Split
NRC153	693925.27	8597826.5		220.0	221.0	1.0	0.43	RC Cyclone Split
NRC154	693929.91	8597870		273.0	287.0	14.0	1.40	RC Cyclone Split
			and	293.0	301.0	8.0	1.37	RC Cyclone Split
NRC156	693910.75	8597680.7		171.0	194.0	23.0	1.12	RC Cyclone Split
			and	288.0	320.0	32.0	1.52	RC Cyclone Split
			including	288.0	293.0	5.0	2.69	RC Cyclone Split
NRC157	693866.04	8597689.2		199.0	212.0	13.0	1.02	RC Cyclone Split
			and	216.0	240.0	24.0	1.08	RC Cyclone Split
NRC158	693939.65	8597778.3		329.0	356.0	27.0	1.24	RC Cyclone Split
			including	331.0	335.0	4.0	2.38	RC Cyclone Split
NRCD004	693866.9	8597738		185.60	199.75	14.15	1.22	1/2 core
			including	187.0	190.0	3.0	2.20	1/2 core

Table 1: Assay results for recently drilled deep RC and DDH holes at Carlton Deposit, Finniss Lithium Project

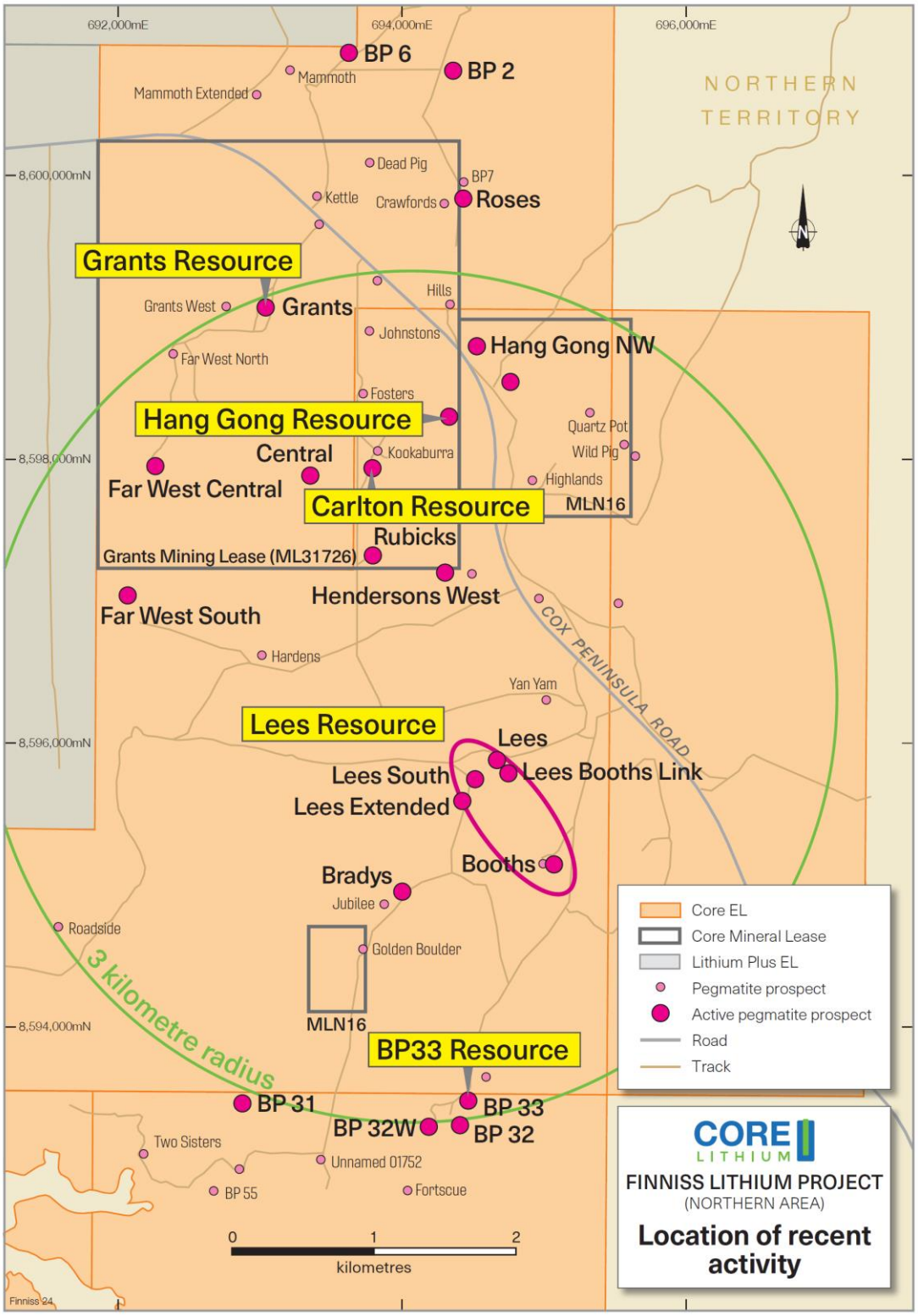

Figure 3: Main prospects in the northern Finniss Lithium Project area, showing the close proximity of Carlton and Grants Deposits

Competent Persons Statements

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) an employee of Core Lithium Ltd who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Biggins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. This report includes results that have previously been released under JORC 2012 by Core.

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 and Ore Reserve estimates in the announcements "Grants Lithium Resource Increased by 42% ahead of DFS" dated 22 October 2018, "Over 50% Increase in BP33 Lithium Resource to Boost DFS" dated 6 November 2018, "Maiden Sandras Mineral Resource Grows Finniss to 6.3Mt" dated 29 November 2018, "Finniss Mineral Resource Grows to 8.6Mt with Hang Gong" dated 31 January 2019, "Upgrade of Mineral Resource at Carlton Grows Finniss Project" dated 12 March 2019, "Finniss Feasibility Study and Maiden Ore Reserve" dated 17 April 2019 and "Initial Resource for Lees Drives Finniss Mineral Resource" dated 6 May 2019 continue to apply and have not materially changed. The Mineral Resources and Ore Reserves underpinning the production target have been prepared by a Competent Person in accordance with the requirements of the JORC code. Core confirms that the Company is not aware of any new information or data that materially affects the information included in this announcement and confirms that all material assumptions underpinning production target and forecast financial information derived from the production target announced on 17 April 2019 as "Finniss Definitive Feasibility Study and Maiden Ore Reserve" continue to apply and have not materially changed.

Authorise for release by the Board of Core Lithium Ltd.

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JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

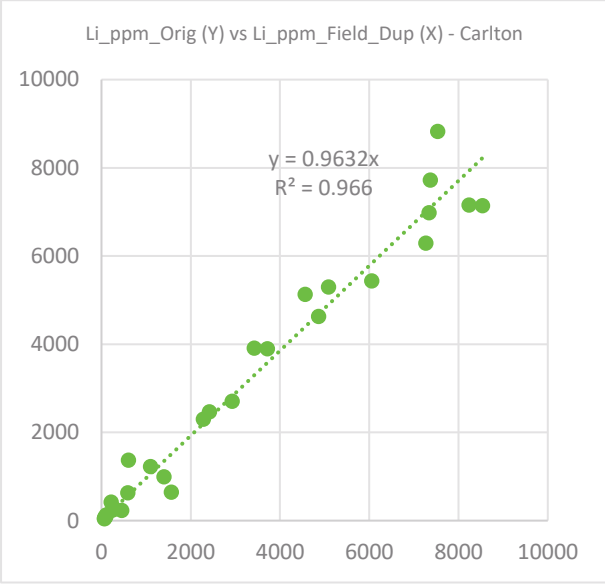
Criteria	JORC Code Explanation	Commentary

Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.
	• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.
	• Aspects of the determination of mineralisation that are Material to the Public Report.
	• In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.
		• Reverse circulation (RC) and diamond core (DDH) drill techniques have been employed for the Core Lithium Ltd ("Core" or "CXO") at Carlton, during late October to early December 2019. A list of the hole IDs and positions can be found in the "Drill hole information" section below. Hole NRCD004 consists of a RC precollar to 162m and a DDH tail to EOH.
		• RC drill spoils over all programs were collected into two sub-samples:
		  ○ 1 metre split sample, homogenized and cone split at the cyclone into 12x18 inch calico bags. Weighing 2-5 kg, or 15% of the original sample.
		  ○ 20-40 kg primary sample, which for CXO's drilling was collected in 600x900mm green plastic bags and retained until assays had been returned and deemed reliable for reporting purposes.
		• RC sampling of pegmatite for CXO's assays was done on a 1 metre basis. 1m-sampling continued into the barren wall-zone of the pegmatite and then a 3m composite was collected from the immediately surrounding barren phyllite host rock.
		• Drill core was collected directly into trays, marked up by metre marks and secured as the drilling progressed. Geological logging and sample interval selection took place soon after.
		• DDH Core was transported to a local core preparation facility and cut firstly into half longitudinally along a consistent line between 0.3m and 1m in length, ensuring no bias in the cutting plane.
		• DDH sampling of pegmatite for assays is done over the sub-1m intervals described above. 1m-sampling continued into the barren phyllite host rock.

Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• RC Drilling was carried out by Bullion Drilling (Barossa Valley, SA; Schram 685 RC with 5.6-inch (143mm) face-sampling bit). • DDH drilling was carried out GMP Drilling (Mildura, Vic; Hanjin 7000 D&B track-mounted DDH with HQ core (100mm hole diameter).

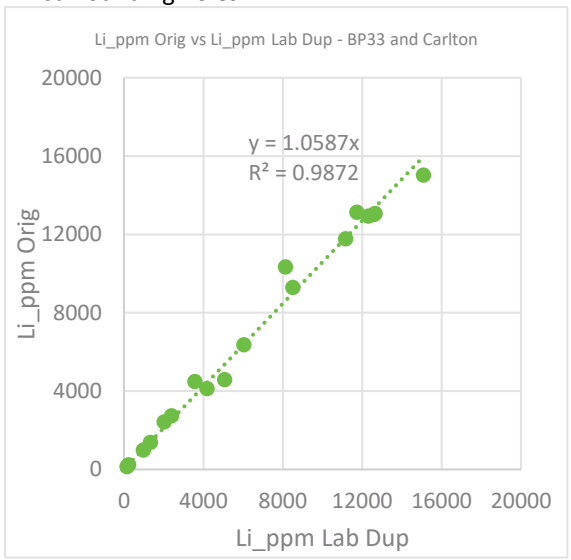
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• RC drill recoveries were visually estimated from volume of sample recovered. The majority of sample recoveries reported were dry and above 90% of expected. • RC samples were visually checked for recovery, moisture and contamination and notes made in the logs. • The rigs splitter was emptied between 1m samples by hammering the cyclone bin with a mallet. The set-up of the cyclone varied between rigs, but a gate mechanism was used to prevent inter-mingling between metre intervals. The cyclone and splitter were also regularly cleaned by opening the doors, visually checking, and if build-up of material was noted, the equipment cleaned with either compressed air or high-pressure water. This process was in all cases undertaken when the drilling first penetrated the pegmatite mineralization, to ensure no host rock contamination took place. • Drill collars are sealed to prevent sample loss and holes are normally drilled dry to prevent poor recoveries and contamination caused by water ingress. Wet intervals are noted in case of unusual results. • DDH core recoveries were measured using conventional procedures utilising the driller's markers and estimates of core loss, followed by mark up and measuring of recovered core by the geologist or geotechnician. • DDH core recovery is 100% in the pegmatite zones and in fresh host-rock, but in the top 50m is diminished to 80-90% by the weathered ground. • There has been no material bias recognised in drill core sampling to date. The assessment involves a detailed assessment of assay grade vs drill core geology, including visual spodumene concentration.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Detailed geological logging was carried out on all RC and DDH drill holes. • Logging recorded lithology, mineralogy, mineralisation, weathering, colour, and other sample features. • RC chips are stored in plastic RC chip trays. • DDH core is stored in plastic core trays. • All holes were logged in full. • Pegmatite sections are also checked under a single-beam UV light for spodumene identification on an ad hoc basis. These only provide indicative qualitative information. • RC chip trays and DDH core trays are photographed and stored on the CXO server.
Sub-sampling techniques and	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and	**RC Samples** • The majority of the mineralised samples were collected dry, as noted in the drill logs and

sample preparation	whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	database. • The field sample preparation followed industry best practice. • This involved collection of RC samples from the cone splitter on the drill rig into a calico bag for dispatch to the laboratory. • The sample sizes are considered more than adequate to ensure that there are no particle size effects relating to the grain size of the mineralisation. • A field duplicate sample regime is used to monitor sampling methodology and homogeneity of RC drilling at Finniss. The typical procedure was to collect Duplicates via a spear of the green RC bag, having collected the Original in a calico bag. Trying to split the 2-3kg calico bag into an Original and a Duplicate has inherent dangers, least of all reducing the sample mass. However, comparing cone split sample with a spear sample also has some element of incompatibility. The expectation would be a high degree of variability in the spear sample, because of the heterogenous and stratified RC bag, but overall it should statistically match the split original sample. • The duplicates cover a wide range of Lithium values. The population of duplicates is 30, from a total number of original RC assays involved (461). • Results of duplicate analysis show very high degree of correlation given the heterogeneous nature of the pegmatite and the two methodologies used to derive the laboratory sample at Carlton (see chart below). There is a 2.5% bias towards the duplicate. • Sample preparation for RC samples occurs at North Australian Laboratories (“NAL”), Pine Creek, NT. • A 1-2 kg riffle-split of RC Samples are then prepared by pulverising to 95% passing -100 um. RC samples do not require any crushing, as they are largely pulp already.



DDH Samples

- Half Drill Core sample intervals were constrained by geology, alteration or structural boundaries, intervals varied between a minimum of 0.3 metres to a maximum of 1 m. The core is cut along a regular Ori line to ensure no sampling bias. It is not advisable to create duplicates of the DDH core given the grainsize (heterogeneity) and limited amount of material available. Instead, as is explained below, the half core is crushed first to a minimum acceptable for metallurgical testwork and laboratory duplicates taken.
- DDH samples were prepared at Nagrom Laboratory in Perth, WA.
- Half core was crushed to a nominal size to pass through a Rotary Sample Divider (RSD), with top-size -10mm. The purpose being to use the residue for metallurgical testwork. One eighth of the material (approximately 500g of the 3-4 kg of each metre-samples) was split and then crushed to -6.3mm and riffle split to obtain a portion to be pulverized in Tungsten Carbide mill to 80% passing 75um. These specialised high-durability mills were used on this occasion to minimize iron contamination and obtain an original iron content for the pegmatite.
- While primary crushing to -10mm has repeatability risks due to sample heterogeneity,

		this was offset by the ability to compare the composited assays with the head assay of 3 bulk metallurgical samples prepared with the same material, weighing approximately 100 kg each. This will be done in due course. • Only one lab duplicate has been split from the small Carlton sample batch (23 samples). While this aligns within 2% of the original, the dataset is too small to be of value. To investigate the quality of the splitting process, the data for BP33 samples been included in the assessment, given they followed the same process. The combined 18 lab duplicates were split using the same -10m material and these showed a small positive bias in Li towards the original (5.8%; see chart below), but this is likely due to the natural heterogeneity of the very coarse-grained spodumene pegmatite and the small number of duplicates. As noted in the previous batch of samples processed in a similar manner, but using a top-size of 20mm, there was bias towards the duplicate, the opposite of what could be interpreted here. This further reflects the coarse-grained nature of the materials and that compositing assays will smooth out this variability. Regardless, assays are in line with surrounding holes. 
Quality of assay data and	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is	**RC Samples** • Sample analysis for RC samples occurs at North Australian Laboratories, Pine Creek, NT.

laboratory tests	considered partial or total.
	• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.
	• Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.
		• A 0.3 g sub-sample of the pulp is digested in a standard 4 acid mixture and analysed via ICP-MS and ICP-OES methods for the following elements: Li, Cs, Rb, Sr, Nb, Sn, Ta, U, As, K, P, S and Fe. The lower and upper detection range for Li by this method are 1 ppm and 5000 ppm respectively.
		• During the drilling program a 3000 ppm Li trigger was set to process that sample via a fusion method. The fusion method was - a 0.3 g sub-sample is fused with 1g of Sodium Peroxide Fusion flux and then digested in 10% hydrochloric acid. ICP-OES is used for the following elements: Li, P and Fe. The lower and upper detection range for Li by this method are 10 ppm and 20,000 ppm respectively.
		• A barren flush is inserted between samples at the laboratory.
		• The laboratory has a regime of 1 in 8 control subsamples.
		• NAL utilise standard internal quality control measures including the use of Certified Lithium Standards (approx. 1 in 4) and duplicates/repeats (approx 1 in 6).
		• Approximate CXO-implemented quality control procedures include:
		  ○ One in 20 certified Lithium ore standards were used for this drilling.
		  ○ One in 20 duplicates were used for this drilling program.
		  ○ One in 20 blanks were inserted for this drilling.
		DDH Samples
		• Sample analysis for DDH samples occurs at Nagrom Laboratory in Perth, WA.
		• Two methods are used to obtain a broad suite of elements, Peroxide fusion ICP-MS/OES (Lab code FUS01) and Fusion XRF (Lab code XRF008), for petrological and metallurgical purposes.
		• Peroxide fusion ICP-MS/OES uses a 0.3 g sub-sample, which is fused with 1g of Sodium Peroxide Fusion flux and then digested in 10% hydrochloric acid. ICP-OES is used for the following elements: B, S and Sc. ICP-MS is used for Be, Bi, Cd, Ce, Cs, Dy, Eu, Ga, La, Li, Lu, Nd, Rb, Th and U. The detection limit for lithium is 10 ppm.
		• For XRF, a sub-sample is fused with lithium borate flux with lithium nitrate additive, the resultant bead then analysed by XRF using matrix matched calibrations. The following elements are determined: Al_2O_3, As_2O_3, BaO, CaO, Cl, CoO, Cr_2O_3, CuO, Fe_2O_3, K_2O, MgO, MnO, MoO_3, Na_2O, Nb_2O_5, NiO, P_2O_5, PbO, Sb_2O_3, SiO_2, SnO_2, SO_3, SrO, Ta_2O_5, TiO_2, V_2O_5, WO_3, ZnO and ZrO_2
		• Nagrom also determined Loss on Ignition at 1000 degrees Celsius using conventional furnace techniques (Lab code TGA002-LOI1000).
		• Nagrom also determined specific gravity via gas pychnometry (Lab code SG01).

		QAQC of Drilling data • CXO used 4 standards roughly between 4,500 ppm and 30,000 ppm Li, covering the range of expected Li values in the mineralized pegmatite and in concentrate. • The standards reported back with an excellent correlation. Standards for NAL tend to report low by 3% in Li, while at Nagrom they report within 1% of the expected value for Li. These are very acceptable figures. • The data from the blanks pulverised and assayed at NAL indicate that the Li content is low (average 27 ppm) and at Nagrom the average is 10 ppm. These are well below the effective cut-off grade used for the significant intercepts. Fe in blanks averages 2750 ppm at NAL, where they use steel mills, and averages 126 ppm at Nagrom, where for recent batches they have used tungsten carbide mills. • In the Nagrom assays, the average concentration of Fe2O3 in pegmatite, a very hard and abrasive material, is 0.26%. • Field duplicates were discussed above. • There were no significant issues identified with any of this data. • Umpire samples from the current RC and DDH drillholes will be sent to an independent laboratory for analysis in the next few months.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Senior technical personnel have visually inspected and verified the significant drill intersections. • All field data is entered into OCRIS logging system (supported by look-up/validation tables) at site and imported into the centralized CXO Access database. • Hard copies of survey and sampling data are stored in the local office and electronic data is stored on the CXO server. • Metallic Lithium percent was multiplied by a conversion factor of 2.15283/10000 to report Li ppm as Li_2O%.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Differential GPS has been used to determine all collar locations, including RL. Collar position audits are regularly undertaken, and no issues have arisen. • The grid system is MGA_GDA94, zone 52 for easting, northing and RL. • All of the CXO drilled RC hole traces were surveyed by north seeking gyro tool operated by the drillers and the collar is oriented by a line of sight compass and a clinometer. • The DDH tail was surveyed at hole completion using a digital downhole magnetic tool (Boart Longyear TruShot).

Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drill spacing are approximately 40m along strike and 30-80m vertical, as illustrated in the Long Section. • The mineralisation and geology show good continuity from hole to hole and will be sufficient to support the definition of a Mineral Resource and the classifications contained in the JORC Code (2012 Edition). • All RC intervals are 1m. All DDH mineralised intervals reported are based on a maximum of one metre sample interval, with local intervals down to 0.3m.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drilling is oriented approximately perpendicular to the interpreted strike of mineralization (pegmatite body) as mapped. Because of the dip of the hole, drill intersections are apparent thicknesses and overall geological context is needed to estimate true thicknesses. • No sampling bias is believed to have been introduced.
Sample security	• The measures taken to ensure sample security.	• Sample security was managed by the CXO. After preparation in the field or CXO's warehouse, samples were packed into polyweave bags and transported by the Company directly to the assay laboratory. The assay laboratory audits the samples on arrival and reports any discrepancies back to the Company. No such discrepancies occurred.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews of the data associated with this drilling have occurred.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• Drilling by CXO took place on EL30015, which is 100% owned by CXO. • The area being drilled comprises Vacant Crown land. • There are no registered heritage sites covering the areas being drilled. • The tenements are in good standing with the NT DPIR Titles Division.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The history of mining in the Bynoe area dates back to 1886 when tin was discovered by Mr. C Clark. • By 1890 the Leviathan Mine and the Annie Mine were discovered and worked discontinuously until 1902. • In 1903 the Hang Gong Wheel of Fortune was found, and 109 tons of tin concentrates were produced in 1905. In 1906, the mine produced 80 tons of concentrates. • By 1909 activity was limited to Leviathan and Bells Mona mines in the area with little activity in the period 1907 to 1909. • The records of production for many mines are not complete, and in numerous cases changes have been made to the names of the mines and prospects which tend to confuse the records still further. In many cases the published names of mines cannot be linked to field occurrences. • In the early 1980s the Bynoe Pegmatite field was reactivated during a period of high tantalum prices by Greenbushes Tin which owned and operated the Greenbushes Tin and Tantalite (and later spodumene) Mine in WA. Greenbushes Tin Ltd entered into a JV named the Bynoe Joint Venture with Barbara Mining Corporation, a subsidiary of Bayer AG of Germany. • Greenex (the exploration arm of Greenbushes Tin Ltd) explored the Bynoe pegmatite field between 1980 and 1990 and produced tin and tantalite from its Observation Hill Treatment Plant between 1986 and 1988.

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		• They then tributed the project out to a company named Fieldcorp Pty Ltd who operated it between 1991 and 1995. • In 1996, Julia Corp drilled RC holes into representative pegmatites in the field, but like all their predecessors, did not assay for Li. • Since 1996 the field has been defunct until recently when exploration has begun on ascertaining the lithium prospectivity of the Bynoe pegmatites. • The NT geological Survey undertook a regional appraisal of the field, which was published in 2004 (NTGS Report 16, Frater 2004). • CXO drilled BP33, Grants, Far West, Central, Ah Hoy and several other prospects in 2016. • After purchase of additional tenements in 2017, CXO drilled Lees, Booths, Carlton and Hang Gong.
Geology	• Deposit type, geological setting and style of mineralisation.	• The tenements listed above cover the northern and central portion of a swarm of complex zoned rare element pegmatite field, which comprises the 55km long by 10km wide West Arm – Mt Finniss pegmatite belt (Bynoe Pegmatite Field; NTGS Report 16). The main pegmatites in this belt include Mt Finniss, Grants, BP33, Hang Gong and Sandras • The Finniss pegmatites have intruded early Proterozoic shales, siltstones and schists of the Burrell Creek Formation which lies on the northwest margin of the Pine Creek Geosyncline. To the south and west are the granitoid plutons and pegmatitic granite stocks of the Litchfield Complex. The source of the fluids that have formed the intruding pegmatites is generally accepted as being the Two Sisters Granite to the west of the belt, and which probably underlies the entire area at depths of 5-10 km. • Lithium mineralisation has been identified historically as occurring at Bilato's (Picketts) and Saffums 1 (both amblygonite) but more recently LTR and CXO have identified spodumene at numerous other prospects, including Grants, BP33, Booths, Lees, Hang Gong, Ah Hoy, Far West Central and Sandras.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in	• All RC and DDHs holes are from Carlton Prospect, EL30015. • Coordinates are GDA94 zone 52.

Hole No.	Prospect	Tenement	Hole type	Easting	Northing	RL (m)	Azimuth (°)	Dip (°)	Depth (m)

Criteria	JORC Code explanation	Commentary
	metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	

NRC130	Carlton	EL30015	RC	693869.74	8597819	25.29	282.0	-65.09	222.0
NRC131	Carlton	EL30015	RC	693853.85	8597780.2	26.24	280.9	-65.22	204.0
NRC151	Carlton	EL30015	RC	693889.34	8597726.6	25.68	279.03	-67.31	300.0
NRC152	Carlton	EL30015	RC	693918.47	8597727.3	24.42	282.10	-69.72	312.0
NRC153	Carlton	EL30015	RC	693925.27	8597826.5	23.62	273.69	-74.85	300.0
NRC154	Carlton	EL30015	RC	693929.91	8597870	23.07	272.73	-72.22	301.0
NRC156	Carlton	EL30015	RC	693910.75	8597680.7	25.1	279.20	-71.91	330.0
NRC157	Carlton	EL30015	RC	693866.04	8597689.2	27.44	282.99	-70.19	258.0
NRC158	Carlton	EL30015	RC	693939.65	8597778.3	23.38	270.00	-72	378.0
NRCD004	Carlton	EL30015	DDH	693866.9	8597738	26.57	276.60	-68.37	211.0

Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Any sample compositing reported here is calculated via length weighted averages of the 1 m assays. Length weighted averages are acceptable method because the density of the rock (pegmatite) is constant. • 0.4% Li_2O was used as lower cut off grades for compositing and reporting intersections with allowance for including up to 3m of consecutive drill material of below cut-off grade (internal dilution). • No metal equivalent values have been used or reported.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• All holes have been drilled at angles of between 68 - 75° and "lifted" by up to 10 degrees at target depth. The pegmatite dips steeply to the east and therefore the drillholes are marginally oblique in a dip sense. • Hole were drilled approximately perpendicular to the strike of the pegmatites as mapped (refer to Table above for azi and dip data). • Some holes deviated in azimuth and therefore are marginally oblique in a strike sense. • Based on rough assessment of drill sections, true width represents about 60-75% of the intercept width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of	• Refer to Figures and Tables in the release.

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	intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• All exploration results have been reported.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• All meaningful and material data has been reported.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• CXO will undertake resource definition in coming month. • Further drilling is being planned for the 2020 dry season to both expand the resource (refer to figures) and infill to enable categorisation as an Indicated or Measured Resource. • Metallurgical test-work and petrology will take place later in the year to characterise the pegmatite generally and it constituent spodumene and any other lithium-bearing phases.