



# ASX ANNOUNCEMENT

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## Elevated copper and silver in first drill results on Yorke Peninsula

Core Exploration Ltd is pleased to announce that results have been received from its first air-core drilling program on the Yorke Peninsula project in South Australia.

Drill results from two separate prospects returned anomalous copper and high levels of silver and have provided the Company with valuable data for the ongoing minerals search on Yorke Peninsula.

Core advises that it has scheduled a follow-up drilling program to commence as soon as the cropping season is completed, most likely in January 2012. The aim of the next drill program will be to follow up the anomalous results and to drill the targets not tested fully by the shallow air-core drilling.

Six semi coincident gravity and magnetic targets were subjected to first-pass aircore drilling in August (Figure 1). These large-scale gravity and magnetic drill targets are hosted in an analogous geological setting to Rex Minerals' (ASX:RXM) Hillside Project (Inferred and Indicated Resource of 217Mt at 0.7% copper and 0.2g/t gold) on the adjacent tenement (Figure 2).

### Drilling Results

Target A returned highly anomalous multi-element results in basal sediments in drill hole YPAC012 at 82-83m (BOH). Anomalous elements include copper (182 ppm), gold (0.02 g/t), silver (6.7 g/t), barium (1.45%), bismuth (30.7 ppm), molybdenum (412 ppm), lead (332 ppm) and strontium (1569 ppm).

A number of the rare earth elements were also elevated. Anomalous elements such as these are often associated with IOCG and/or metasomatite/skarn mineralisation.

The main geophysical feature at Target A is a gravity anomaly which consists of a 3 x 2 km semi-circular residual gravity feature with semi-coincident magnetic anomalies in the NW and SE segments (Figure 1). Basement rocks at Anomaly A also included a fine grained mafic intrusive and dark red-black altered massive granite.

Target D had anomalous results, including 2.3 g/t silver at 93-94m(BOH) in YPAC007, which intersected a magnetic mafic intrusive.



The main geophysical feature at Target D is a gravity anomaly which consists of a 3 x 1.5 km elliptical NE-SW residual gravity feature with semi-coincident magnetic anomalies in the NE segment (Figure 1). The geology consists of foliated mafic gneiss and green intermediate coarse grained pyroxenite.

Target F, YPAC0038 intersected elevated levels of 357 ppm copper and 0.5g/t silver within a metasomatite (altered granite) at 53m (BOH sample).

The main geophysical feature at Target F is a 4 km x 0.35 km N-S linear magnetic anomaly with a small semicoincident gravity anomaly in the central section (Figure1). The geology consists of coarse grained altered red granite, banded metasomatite and foliated biotite schist which most likely represents a contact aureole between Hiltabe Suite granite and Wallaroo Group metasediments.

Drill holes ranged from 46-146m and were deeper than expected due to a thicker package of cover rocks encountered in this first pass drilling program. Of the six prospects targeted, only three of those reached the target rocks (basement) with anomalous results being returned from all these three prospects. As a result of the sharp contact between cover and basement rocks, typically only a bottom of hole samples were collected for each drill hole.

### **Airborne Electromagnetic Survey**

Core is also planning an airborne electromagnetic survey to directly target mineralisation within the Palace target zone as defined by the gravity and magnetics.

The survey will cover Iron Oxide Copper-Gold targets identified from recently completed airborne magnetic and ground based gravity surveys and confirmed by recent drilling. The targets consist of semi-coincident magnetic and gravity anomalies that occur within a NE structural corridor. The survey may also define new drill targets to be tested in follow up drilling.

Core Exploration has also applied for a PACE Targeting grant to undertake a high powered airborne electromagnetic survey over the project area.

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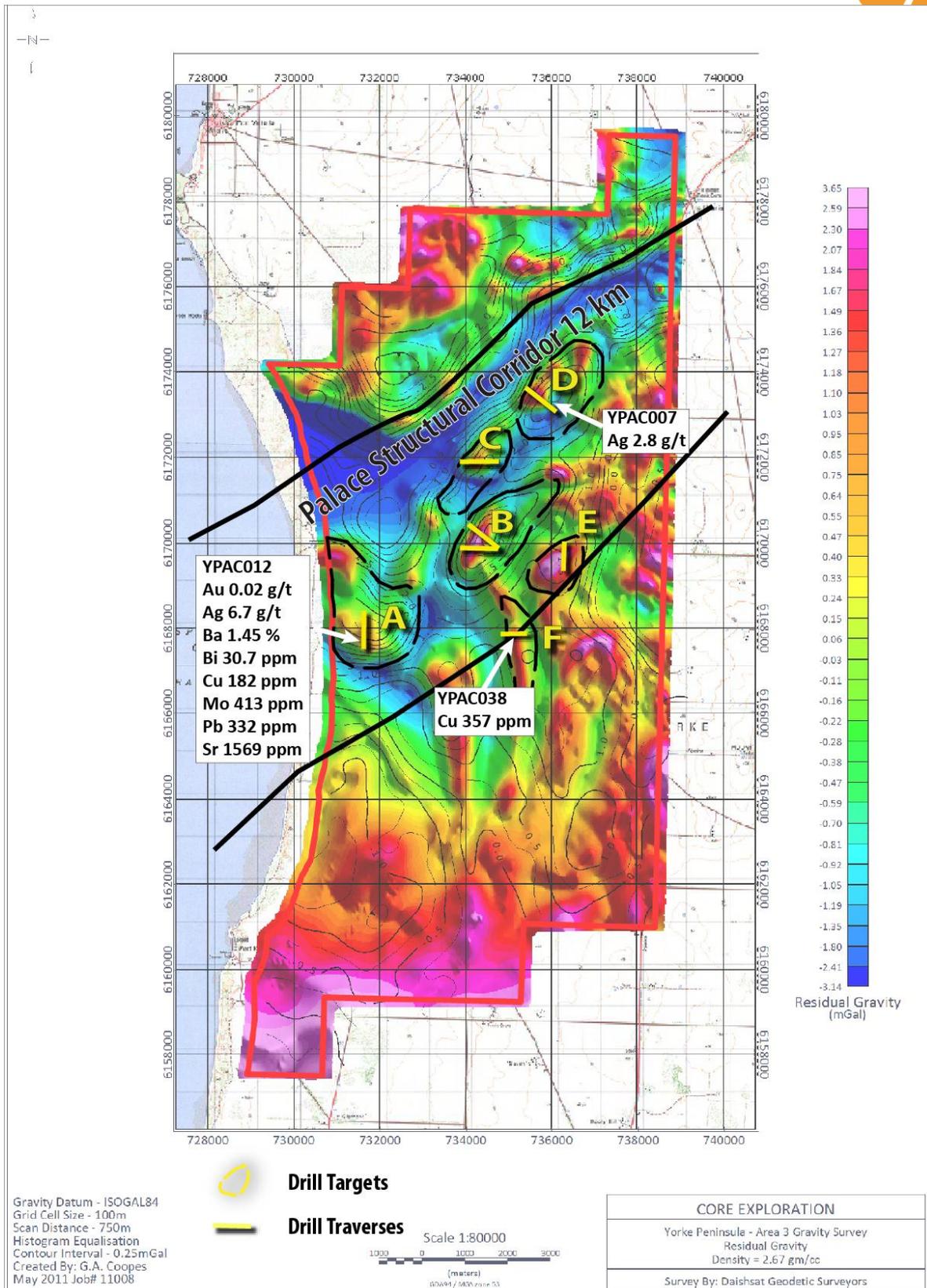


Figure 1: Anomalous drill results and drill targets with residual gravity contours overlain on Magnetic (RTP) image, Area 3, Yorke Peninsula Project, South Australia



Figure 2: Core Exploration's Yorke Peninsula Project, South Australia

*The information in this report has been compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd and 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. As a Competent Person, he has a minimum of 5 years relevant experience in the style of mineralisation and types of activities being reported and has given written consent to the above report in the form and context in which it appears.*