

CORE EXPLORATION LIMITED

ACN 146 287 809

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

PROXY FORM

Date of Meeting

13 November 2012

Time of Meeting

3:30 pm (ACDT)

Place of Meeting

Norman Waterhouse Lawyers
Level 15, 45 Pirie Street,
Adelaide, South Australia

CORE EXPLORATION LIMITED
ACN 146 287 809

NOTICE OF 2012 ANNUAL GENERAL MEETING

Notice is hereby given that the second Annual General Meeting of Shareholders of Core Exploration Ltd ("Company") will be held at Norman Waterhouse Lawyers, Level 15, 45 Pirie Street, Adelaide, South Australia on Tuesday 13 November 2012 at 3:30 pm (ACDT).

Members should refer to the accompanying Explanatory Notes for further information concerning agenda items set out below.

Members are encouraged to exercise their right to fully participate in the meeting by asking questions on any matters of interest or concern with the Company's operations, irrespective of whether those matters are the subject of an agenda item.

ORDINARY BUSINESS

To receive and consider the Company's Financial Report including the Directors' Declaration for the year ended 30 June 2012 and the accompanying Directors' Report and Auditor's Report.

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. Resolution 1 – Adoption of Remuneration Report

"That the remuneration report that forms part of the Annual Report of the Company for the year ended 30 June 2012 be adopted."

Voting exclusion: The Company will disregard any votes cast on this Resolution by any of the Directors and Key Management Personnel listed in the Remuneration Report and any of their closely related parties (such as close family members and any controlled companies) unless the vote is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or the person chairing the meeting as a proxy for a person who is entitled to vote and in accordance with an express authority to vote the undirected proxy.

2. Resolution 2 - Re-election of Mr Michael Schwarz as a Director of the Company

"That Mr Michael Schwarz, having retired automatically as a Director in accordance with ASX Listing Rule 14.4 and clause 13.2 of the Constitution of the Company, being eligible, and having offered himself for re-election, is re-elected as a Director of the Company."

SPECIAL BUSINESS

3. Resolution 3 - Issue of Performance Based Director Options to Michael Schwarz

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue and allotment of 2,000,000 Director Options to Mr Michael Schwarz (or his nominee) subject to meeting Key Performance Indicators, on the terms described in the Notice of Meeting and Explanatory Notes, is approved."

Voting exclusion: The Company will disregard any votes cast on this Resolution by Mr Schwarz and any of their associates (such as close family members and any controlled companies) unless the vote is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or the person chairing the meeting as a proxy for a person who is entitled to vote.

4. Resolution 4 - Ratification of Employee Options issued in the preceding 12 month period

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment of 250,000 Employee Options during the preceding 12 month period on the terms and to the parties set out in the Notice of Meeting and Explanatory Notes is approved."

Voting exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue and any of their associates (such as close family members and any controlled companies) unless the vote is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or the person chairing the meeting as a proxy for a person who is entitled to vote.

5. Resolution 5 - Ratification of Shares issued in the preceding 12 month period

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment of 500,000 Shares during the preceding 12 month period on the terms and to the parties set out in the Notice of Meeting and Explanatory Notes is approved."

Voting exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue and any of their associates (such as close family members and any controlled companies) unless the vote is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or the person chairing the meeting as a proxy for a person who is entitled to vote.

6. Resolution 6 – Share Placement Facility

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the approval to issue up to 10,000,000 Shares within 3 months of the date of this Annual General Meeting as set out in the Notice of Meeting and Explanatory Notes."

Voting exclusion: The Company will disregard any votes cast on a resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any of their associates, if the resolution is passed.

7. Resolution 7 – Issue of 1,000,000 Shares as Consideration under a JV agreement

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the approval to issue 1,000,000 Shares as consideration for the acquisition of the mining tenement as set out in the Notice of Meeting and Explanatory Notes."

Voting exclusion: The Company will disregard any votes cast on a resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any of their associates, if the resolution is passed.

8. Resolution 8 – Issue of 330,444 Shares as Consideration Under a Contract

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the approval to issue 330,444 Shares as consideration for professional services provided to the Company as set out in the Notice of Meeting and Explanatory Notes."

Voting exclusion: The Company will disregard any votes cast on a resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any of their associates, if the resolution is passed.

SPECIAL RESOLUITON

9. Resolution 9 - Approval for 10% Additional Placement Capacity

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the approval for Core Exploration Limited to have the additional capacity to issue Equity Securities totalling up to 10% of the Shares on issue (at the time of the issue) calculated in accordance with the formula prescribed in Rule 7.1A.2 and on the terms described in the Explanatory Notes.”

Voting exclusion: The Company will disregard any votes cast on a resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any of their associates, if the resolution is passed.

By order of the Board

Jaroslaw (Jarek) Kopias
Company Secretary
Adelaide, 27 September 2012

AMENDMENTS TO PROXY VOTING

The Corporations Act introduces new prohibitions on Key Management Personnel and their closely related parties from voting (or voting undirected proxies) on, amongst other things, remuneration matters and any Spill Resolutions. However, the Chairman may vote a proxy that does not specify how it is to be voted, providing that the Shareholder who has lodged the proxy has provided informed consent for the Chairman to exercise the proxy even if the resolution is connected with the remuneration of a member of the Key Management Personnel.

RESOLUTION 1 – VOTING INTENTION AND INFORMED CONSENT

In completing the attached Proxy Form, Members must be aware that where the Chairman of the Meeting is appointed as their proxy in respect of Resolution 1, that the Chairman will exercise the member's proxy even though:

- Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- the Chairman of the meeting is a member of the Key Management Personnel, detail of whose remuneration is included in the Remuneration Report,

and that the member consents to the Chairman of the Meeting voting that proxy in accordance with the Chairman's stated voting intention set out in the Explanatory Notes (except where the member has indicated a different voting intention on the Proxy Form in respect of Resolution 1).

PROXIES AND CORPORATE REPRESENTATIVES

A member who is entitled to vote at this meeting may appoint a proxy who need not be a member of the Company. For the convenience of Members a proxy appointment form is enclosed. A member who is entitled to cast more than one vote may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

In order to be valid the proxy form must be received by the Company at the address or facsimile number specified below, along with any power of attorney or certified copy of a power of attorney (if the proxy form is signed pursuant to a power of attorney), by no later than 48 hours before the Annual General Meeting (i.e., by no later than 3:30pm Adelaide time on 11 November 2012):

Core Exploration Limited
c/- Security Transfer Registrars Pty Ltd
PO Box 535
Applecross, WA 6953

or facsimile: +61 8 9315 2233

A member who is a body corporate may appoint an individual as a representative to exercise all or any of the rights and privileges the body corporate may exercise at the Annual General Meeting pursuant to section 250D of the Corporations Act. Representatives will be required to present documentary evidence of their appointment on the day of the meeting.

DETERMINATION OF ENTITLEMENT TO ATTEND AND VOTE

For the purpose of the Corporations Act, the Company has determined that all Shares of the Company that are quoted Shares at 7.00pm Adelaide time on 7 November 2012 will be taken, for the purpose of the Annual General Meeting, to be held by the persons who held them at that time.

QUESTIONS AND COMMENTS BY MEMBERS

In accordance with the Corporations Act, the Chairman of the Annual General Meeting will allow a reasonable opportunity for Members at the meeting to ask questions about, or make comments on, the management of company.

Similarly, the Chairman will allow a reasonable opportunity for Members at the Meeting to ask questions of a representative of the Company's Auditor, Grant Thornton, relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the Financial Statements and the independence of the Auditor in relation to the conduct of the audit.

Pursuant to the Corporations Act, Members may submit written questions to the Company's Auditor relevant to the content of the Auditor's report or the conduct of the audit of the annual financial report. If a member wishes to submit such a question, please submit it to the Company no later than 5.00pm Adelaide time on 5 November 2012.

The Chairman of the Annual General Meeting will allow a reasonable opportunity at the Annual General Meeting for a representative of the Company's Auditor to answer any written questions submitted in accordance with the above procedure. If the Company's Auditor has prepared written answers to written questions, the Chairman may allow these to be tabled at the meeting and such written answers will be available to Members as soon as practicable after the meeting.

ANNUAL GENERAL MEETING - EXPLANATORY NOTES

The Explanatory Notes accompanying this Notice of Annual General Meeting are incorporated in and comprise part of this Notice of Annual General Meeting, and should be read in conjunction with this Notice of Annual General Meeting.

Introduction

These Explanatory Notes set out information in connection with the business to be considered at the second Annual General Meeting of Shareholders of Core Exploration Ltd ("Company") which will be held at Norman Waterhouse Lawyers, Level 15, 45 Pirie Street, Adelaide, South Australia on Tuesday 13 November 2012 at 3:30 pm (ACDT).

These Explanatory Notes should be read in conjunction with the accompanying Notice of Meeting and is a brief explanation of Resolutions 1 to 9. Resolutions 1 to 8 are ordinary resolutions whereas Resolution 9 is a Special Resolution. They are all separate resolutions and in no way dependent on each other.

Terms defined in the Notice of Annual General Meeting have the same meaning in these Explanatory Notes.

Resolution 1: Remuneration Report

The Remuneration Report is set out in the Directors' Report within the 2012 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for Directors, including the Managing Director, and the Company's Key Management Personnel.

Pursuant to section 250R (2) of the Corporations Act, a resolution that the Remuneration Report be adopted must be put to the vote at the Company's Annual General Meeting. The vote on the proposed resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

Under changes to the Corporations Act, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, then Members will be required to vote at the second of those AGMs on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the Company's directors (except the Managing Director) must stand for re-election. The Corporations Act also contains a re-setting mechanism so that a spill resolution could only be considered by Members at every second AGM.

The Chairman of the Annual General Meeting will allow a reasonable opportunity for Members to ask questions about, or make comments on, the Remuneration Report.

The Directors believe that the Company's remuneration policies and structures are appropriate relative to the size of the Company and its business.

Board Recommendation: The Board, while noting that each Director has a personal interest in their own remuneration from the Company, recommends that Members vote in favour of Resolution 1.

Proxy restrictions

If you elect to appoint a member of the Key Management Personnel or a Closely Related Party as a proxy, **then you must direct the proxy how they are to vote**. Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

If you elect to appoint the Chairman as your proxy, you do not need to direct the Chairman how you wish them to exercise your vote on Resolution 1, however if you do not direct the Chairman how to vote, you acknowledge that the Chairman may exercise their discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

If your proxy is not a member of the Key Management Personnel or a Closely Related Party and is not the Chairman, then you do not need to direct your proxy how to vote.

Resolution 2: Re-election of Mr Michael Schwarz as a Director of the Company

In accordance with ASX Listing Rule 14.4 and clause 13.2 of the Constitution, one third of the directors shall retire from office by rotation at each annual general meeting. A retiring director is eligible for re-election.

Accordingly Mr Michael Schwarz retires automatically as a director of the Company and being eligible, offers himself for re-election. A resume of Mr Schwarz follows:

Mr Michael Schwarz, B.Sc (Hons) Geology, AIG (Executive Director)

Michael is a qualified geologist with 15 years' experience in mineral exploration and prospectivity assessment. As the founding Managing Director of Monax Mining Ltd (ASX:MOX) he built a portfolio of multi-commodity projects, including iron oxide copper-gold (IOCG), uranium, gold and base metals. Michael was also a founding Director of uranium explorer Marmota Energy Ltd (ASX:MEU).

Michael has over 15 years' experience in mineral exploration within industry and government. He has extensive experience on South Australian and Gawler Craton geology and mineralisation styles and has led research projects with the SA Government, Geoscience Australia and various universities.

As the former Managing Director of Monax Mining Ltd, Michael has been responsible for building a portfolio of highly prospective tenements with a focus on iron-oxide copper-gold and uranium. From this base, the Company successfully listed on the ASX in 2005 with an oversubscribed \$5 million IPO. During his time with the Company, he was instrumental in the discovery of both the Punt Hill IOCG project and Waddikee Manganese project with over \$10 million of equity finance raised to develop these projects.

As a founding Director of Marmota Energy Ltd Michael helped build a strong portfolio of prospective uranium tenements and successfully managed the heavily oversubscribed IPO process, raising a total of \$15 million in 2007.

Board Recommendation: The Directors (other than Mr Schwarz) recommend that Shareholders vote in favour of Resolution 2.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the re-election of Mr Schwarz.

Resolution 3: Issue of performance based Director Options to Michael Schwarz

Mr Michael Schwarz is an Executive Director of the Company with responsibility for the management and oversight of the Company's mineral exploration activities. Mr Schwarz's remuneration comprises a base salary and other cash benefits. In order to remunerate Mr Schwarz based on his qualifications and experience within the minerals exploration market and to include an incentive based component to his remuneration package, the Board has determined that he should be issued with 2,000,000 Director Options for nil consideration per Director Option to be issued on the terms set out in **Table 1**. Should Mr Schwarz cease to be an employee of the Company, the Director Options will expire within 3 months of his departure.

Upon approval at the Annual General Meeting (AGM), the 2,000,000 Director Options will be issued to Mr Schwarz within 5 business days of the AGM, but will vest in tranches upon each performance hurdle being met. The funds raised from any future exercise of Director Options will be used to fund working capital requirements of the Company.

There are four Key Performance Indicator (**KPI**) hurdles that trigger the vesting of the Director Options and they are listed below. The KPIs relate to Mr Schwarz's performance during the period 1 July 2012 to 30 June 2014. Each KPI is independent of the other KPI's listed.

KPI	Maximum number of Director Options vested upon achieving KPI
<i>1. Exploration KPI (short-medium term)</i>	500,000
<i>2. Safety, Environment, Land Access KPI (annual)</i>	300,000
<i>3. Budget/Schedule KPI (annual)</i>	200,000
<i>4. Resource KPI (medium-long term)</i>	1,000,000
TOTAL	2,000,000

1. Exploration KPI (short-medium term)

The vesting of Director Options under this KPI is tied to making one of a number of possible drill intersections:

- 10%.m copper (Cu) or equivalent drill intersection. For example, a drill intersection of 10 metres at 1% copper; or
- 50g.m gold (Au) or equivalent drill intersection. For example, a drill intersection of 10 metres at 5 grams per tonne gold; or
- 1.0 m%GT (grade thickness) uranium (U₃O₈) or equivalent drill intersection. For example, a drill intersection of 10 metres at 0.1% U₃O₈.

2. Safety, Environment, Land Access KPI (annual)

The vesting of Director Options under this KPI is tied to an outcome of "zero harm" for the two 12-month periods commencing 1 July 2012.

Mr Schwarz's performance against the KPI is to be reviewed annually by the Board at 30 June 2013 and 30 June 2014 with an entitlement of 150,000 Director Options per year upon successful achievement of the KPI.

3. Budget/Schedule KPI (annual)

The vesting of Director Options under this KPI is tied to operating "on time and on budget" for the 2012/2013 and 2013/2014 financial years.

Mr Schwarz's performance against the KPI is to be reviewed annually by the Board at 30 June 2013 and 30 June 2014 with an entitlement of 100,000 Director Options per year upon successful achievement of the KPI.

4. Resource KPI (medium-long term)

The vesting of Director Options under this KPI is tied to defining a JORC (Joint Ore Reserve Committee) compliant resource of >0.1Mt (million tonnes) contained Cu or Au or U₃O₈ value equivalent with >0.5% Cu cut-off grade.

TABLE 1

Terms of Director Options upon meeting KPI hurdles as explained above.

Terms	KPI 1 Exploration	KPI 2 Safety, environment and land access	KPI 3 Budget / Schedule	KPI 4 Resource
Maximum number of Director Options	500,000	300,000	200,000	1,000,000
Grant date ¹	13 Nov 2012	13 Nov 2012	13 Nov 2012	13 Nov 2012
Exercise price	20 cents	20 cents	20 cents	20 cents
Vesting date	Meeting KPI	Meeting KPI	Meeting KPI	Meeting KPI
Expiry date ²	13 Nov 2014	13 Nov 2014	13 Nov 2014	13 Nov 2014

¹ Within 5 business days of receipt of Shareholder approval.

² Director Options will expire within 3 months of Mr Schwarz ceasing employment with the Company if earlier than expiry date.

Board Recommendation: The Directors recommend that Shareholders vote in favour of the resolution approving the issue of 2,000,000 Director Options to Michael Schwarz.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the resolution approving the issue of 2,000,000 Director Options to Michael Schwarz.

Resolution 4: Ratification of Employee Options issued in the preceding 12 month period

In order to maintain the Company's capacity to issue up to a maximum of 15% of the issued capital of the Company without resorting to Shareholder approval in general meeting, as required pursuant to ASX Limited Listing Rule 7.1 and Listing Rule 7.4, the Company is required to obtain Shareholder ratification to the issue of all securities during the preceding 12 month period.

The Company has issued 250,000 Employee Options under respective employment contracts with terms detailed in **Table 2** for nil consideration. No funds have been raised upon the issue of these securities.

TABLE 2

Terms	Options tranche 1	Options tranche 2	Options tranche 3
Employee	Jennifer Robinson-Cox	Nicola Khouri	Neil Chalmers
Number of Employee Options allotted	75,000	100,000	75,000
Grant date	20 Sep 2011	18 June 2012	30 Sep 2012
Exercise price	20 cents	11 cents	13 cents
Vesting date	20 Sep 2011	18 June 2012	30 Sep 2012
Expiry date	20 Sep 2013	18 June 2014	30 Sep 2014

Board Recommendation: The Directors recommend that Shareholders vote in favour of the ratification of Employee Options issued during the preceding 12 months.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the Options issued during the preceding 12 months.

Resolution 5: Ratification of Shares issued in the preceding 12 month period

In order to maintain the Company's capacity to issue up to a maximum of 15% of the issued capital of the Company without resorting to Shareholder approval in general meeting, as required pursuant to ASX Limited Listing Rule 7.1 and Listing Rule 7.4, the Company is required to obtain Shareholder ratification to the issue of securities during the preceding 12 month period.

The Company will issue 500,000 Shares between the date of this Notice and the 2012 AGM. The Shares will be issued as consideration for a Joint Venture formed in relation to tenements EL27369, EL27709, EL28029, EL28136 and EL28546 in the Northern Territory. The Shares will be placed in voluntary escrow for a period of three months from date of issue. Full terms of the farm-in agreement are listed below:

- Core must issue 500,000 Core Shares to vendors by 5 October 2012. Shares to be held in voluntary escrow for 3 months.
- Core may earn an initial 51% joint venture interest by spending \$225,000 on exploration during the next 2 years.
- Core may earn an additional 29% joint venture interest (total of 80%) by spending an additional \$200,000 (total of \$425,000) over an additional 2 years (total of 4 years).
- If Core acquires 80% interest, then vendors remaining 20% joint venture interest will be free carried to completion of a bankable feasibility study.
- Core has an option to acquire the vendors' 20% free carried interest at a price equal to the greater of \$1,000,000 and a value determined by an independent expert.

The securities will be issued for nil cash as consideration for an interest in the tenements between the date of this Notice and the 2012 AGM following the execution of a voluntary escrow deed. The volume weighted average price of Core Shares on the five trading days prior to 5 October was 9 cents per Share and is deemed to be the issue price of the securities.

The securities rank equally in all respects with all other Shares on issue as at the date of their issue except that they will be escrowed for a 3 month period commencing on the date of issue. Holders of these Shares will not be able to dispose of these Shares in that 3 month period.

The Shares have been issued to the sellers of the Joint Venture (JV) interest as detailed in **Table 3**.

TABLE 3

Vendor (allottee)	Shares to be allotted
Gempart (NT) Pty Ltd (or nominee)	300,000
Chongwadee O'Farrell	150,000
Riding Resources Pty Ltd	50,000

All shares have a deemed issue price of 9 cents per Share and will be allotted between the date of this Notice and the 2012 AGM. The purpose of all issues was a JV agreement executed by the Company and no funds have been raised from the issue of these Shares.

Board Recommendation: The directors recommend that Shareholders vote in favour of the ratification of issue of Shares to the Vendors.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the Shares issued during the preceding 12 months.

Resolution 6 – Share Placement Facility

The Company seeks Shareholder approval, for the purposes of Listing Rule 7.1, for a Share placement facility to allow the issue of up to a maximum 10,000,000 new Shares on the terms described in this Resolution 6.

The Company seeks to have the flexibility to issue Shares and to allow this number of Shares not to be included in the 15% calculation under ASX Listing Rule 7.1. This will enable the Company to have the flexibility to issue Shares during the 3 months after the Annual General Meeting without the requirement to obtain prior Shareholder approval.

The Shares will be issued at a minimum price that is at least 80% of the average market price for securities in that class. The average will be calculated over the last 5 days on which sales in the securities were recorded before the day on which the issue will be made, or, if there is a prospectus relating to the issue, over the 5 days on which sales of Shares are recorded before the date of the prospectus.

The names of the proposed allottees are not known and the quantity of the Shares to be issued to each allottee is not known. The Company intends (but without limitation) that the Shares will be issued to qualified clients of member firms of ASX or sophisticated or professional investors, at the discretion of the Board.

The funds raised will be used to further the Company's exploration program at Fitton and the newly acquired tenements in the Northern Territory as announced to the ASX on 25 September 2012 and for general working capital.

The securities will rank equally in all respects with all other Shares on issue as at the date of their issue.

The allotment will occur between the dated of this Annual General Meeting and 13 February 2013 – being 3 months after approval. The allotment may all occur at one time or progressively as best assessed by the Company. No Shares approved under this Resolution 6 will be issued after 13 February 2013 or such later date permitted by any ASX waiver or modification of the Listing Rules.

If Shareholders approve this Resolution 6, then the Company will have the flexibility to issue more securities during the 3 month period after the Annual General Meeting if an opportunity arises which the Board believes is in the best interests of the Company. For the purpose of Listing Rule 7.1, the issue of these Shares would not make up part of the 15% limit and would enable that proportion of the 15% limit to be used for a future issue of equity securities.

Board Recommendation: The Directors recommend that Shareholders vote in favour of the Share Placement Facility.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the Share Placement Facility.

Resolution 7 – Issue of 1,000,000 Shares as Consideration under a JV agreement

The Company proposes to issue 1,000,000 under Listing Rule 7.1 Ordinary Shares as consideration under a Joint Venture arrangement as detailed in **Table 4**.

TABLE 4

Details	JV agreement
Vendor (allottee)	Alistair Mackie and Bralich Holdings Pty Ltd (or nominees)
Consideration total	1,000,000 Shares or \$70,000
Shares to be allotted	1,000,000
Date of allotment	13 November 2012
Issue price	7 cents per share
Purpose of issue	Settlement of tenement EL28940 purchase

Issue of 1,000,000 Share in relation to the Purchase of EL 28940 (Mordor) tenement

Core has agreed to settle the purchase of rights to the Mordor tenement in the Northern Territory (EL28940) by issue of 1,000,000 Shares or \$70,000.

Completion of the tenement purchase is conditional on Ministerial consent and approval of the issue and allotment of the 1,000,000 Core Shares to the vendors by Core Shareholders at the AGM.

If this Resolution 7 is not approved, then Core has the option to settle the agreement by paying \$70,000 to the vendors in lieu of issuing Shares. Consequently, the deemed issue price for the Shares is 7 cents per Share.

The Shares, the subject of this Resolution 7 will be issued to the vendors within five business days of the later of the grant of the Ministerial consent and the approval of this Resolution 7.

The securities will rank equally in all respects with all other Shares on issue as at the date of their issue.

Board Recommendation: The Directors recommend that Shareholders vote in favour of the Issue of 1,000,000 Shares as Consideration under a JV agreement.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the Issue of 1,000,000 Shares as Consideration under a JV agreement.

Resolution 8 – Issue of 330,444 Shares as Consideration under a Contract

The Company proposes to issue 330,444 Ordinary Shares under Listing Rule 7.1 as consideration for two contractual arrangements as detailed in **Table 5**.

TABLE 5

Details	Airborne magnetics
Allottee	Daishsat Geodetic Surveyors (or nominee)
Consideration total	\$24,783.27 cash and 330,444 Shares
Shares to be allotted	330,444
Date of allotment	On or about 13 November 2012
Date of issue	Within 5 business days of the date of this meeting
Issue price	7.50 cents per ordinary share
Purpose of issue	Settlement of professional services

Airborne Magnetics and Radiometrics – 330,444 Shares

Core has agreed to settle 50% of the invoice for the capture of airborne magnetics and radiometrics provided by Daishsat Geodetic Surveyors. The survey was undertaken at Fitton during September 2012.

The amount of \$24,783.27 has been settled in cash for 50% of the total incurred cost of \$49,566.53. The remainder of the invoice is proposed to be settled via issue of 330,444 Shares at an issue price of 7.50 cents per Share.

The securities will rank equally in all respects with all other Shares on issue as at the date of their issue.

Board Recommendation: The Directors recommend that Shareholders vote in favour of the Issue of 330,444 Shares as Consideration under a Contract.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the Issue of 330,444 Shares as Consideration under a Contract.

SPECIAL RESOLUTION

Resolution 9: Approval for 10% Additional Placement Capacity

Newly introduced Listing Rule 7.1A enables entities to issue equity securities up to 10% of its issued Share capital through placements over a 12 month period after the Annual General Meeting. Approval of this additional capacity can only be obtained at the Annual General Meeting and not at another meeting of Shareholders. This capacity increase is in addition to the Company's 15% placement capacity under Listing Rule 7.1 and allows the Company to issue up to 25% of its issued capital in total.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Resolution 9 is a special resolution and requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Timing

The approval period is to commence on the date of this Annual General Meeting and expiring at the earlier of:

- 12 months after the date of this Annual General Meeting; and
- the date of approval by Shareholders of a transaction under Listing Rules 11.1.1 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

The approval will cease to be valid in the event that holders of the eligible entity's ordinary securities approve a transaction under rule 11.1.2 or rule 11.2.

Number of Shares

The formula for calculating the maximum amount of securities to be issued under the placement capacity is calculated as follows:

$$(A \times D) - E$$

A is the number of fully paid ordinary Shares on issue 12 months before the date of issue:

- plus the number of fully paid ordinary Shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of fully paid ordinary Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4;
- less the number fully paid ordinary Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of ordinary Shares issued or agreed to be issued under this Listing Rule 7.1A.2 in the 12 months before the date of the issue and not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

The ability to issue equity securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1

At the date of this notice, the Company has on issue 42,000,000 Shares and therefore has capacity to issue:

1. 6,300,000 equity securities under Listing Rule 7.1 (subject to approval of Resolution 4);] and
2. 4,200,000 equity securities under Listing Rule 7.1A (subject to approval of this Resolution 9).

Upon approval by Shareholders at the Meeting, the Company will issue a further 1,830,444 Shares (Resolutions 5, 6 and 8) and have the capacity to issue a further 10,000,000 Shares (Resolution 6).

The issue of these Shares (and Placement Capacity) will increase the capacity under Listing Rules 7.1 and 7.1A. A number of scenarios showing potential issues under Listing Rule 7.1A are detailed in **Table 6**.

Minimum issue price

As required by Listing Rule 7.1.A.3, the issue price of Shares under this 10% Additional Placement Capacity will be no less than 75% of the volume weighted average price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- i) the date on which the price at which the securities are to be issued is agreed; or
- ii) if the securities are not issued within 5 trading days of the date in paragraph i), the date on which the securities are issued.

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Additional Placement Capacity as follows (not already provided above):

If this resolution is approved by Shareholders and the Company issues equity securities under the 10% Additional Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in **Table 6** below (in the case of unlisted options, only if the unlisted options are exercised). There is a risk that:

1. the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the meeting; and
2. the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date or the equity securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the equity securities.

Table 6 also shows:

- a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future meeting of Shareholders; and
- b) two examples where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

TABLE 6

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.05 50% decrease in issue price	\$0.10 Issue Price	\$0.20 100% increase in issue price
Current Variable A 42,000,000 Shares	10% voting dilution Funds raised	4,200,000 Shares \$210,000	4,200,000 Shares \$420,000	4,200,000 Shares \$840,000
50% increase in current Variable A 63,000,000 Shares	10% voting dilution Funds raised	6,300,000 Shares \$315,000	6,300,000 Shares \$630,000	6,300,000 Shares \$1,260,000
100% increase in current Variable A 84,000,000 Shares	10% voting dilution Funds raised	8,400,000 Shares \$420,000	8,400,000 Shares \$840,000	8,400,000 Shares \$1,680,000

Table 6 has been prepared on the following assumptions:

- The Company issues the maximum number of equity securities available under the 10% Additional Placement Capacity.
- No unlisted options (including any unlisted options issued under the 10% Additional Placement Capacity) are exercised into Shares before the date of the issue of the equity securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- **Table 6** does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Additional Placement Capacity, based on that Shareholder's holding at the date of the meeting.
- **Table 6** shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of equity securities under the 10% Additional Placement Capacity consists only of Shares. If the issue of equity securities includes listed options, it is assumed that those listed options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The table does include the issue of any shares under the Share Placement Facility requested for approval under Resolution 6.
- The issue price of \$0.10, being the approximate average price at which Core Shares have traded over the previous 12 month period.

The Company may seek to issue the equity securities for the following purposes:

1. Non-cash consideration for the acquisition new resources, assets or investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
2. Cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration expenditure on the Company's current assets and/or general working capital.

The Company will comply with disclosure obligations under Listing Rule 7.1A.4 and 3.10.5A upon issue of any equity securities under the 10% Additional Placement Capacity.

The Company's allocation policy is dependent upon the prevailing market conditions at the time of any proposed issue pursuant to the 10% Additional Placement Capacity. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to, but not limited to, the following factors:

1. the methods of raising funds that are available to the Company, but not limited to, rights issues or other issues in which existing security holders can participate;
2. the effect of the issue in the equity securities on control of the Company;
3. the financial situation and solvency of the Company; and
4. advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Additional Placement Capacity have not been determined as at the date of this notice, but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

Board Recommendation: The Directors recommend that Shareholders vote in favour of the approval of the 10% Additional Placement Capacity.

The Chairman of the Meeting intends to vote all undirected proxies in favour of the 10% Additional Placement Capacity.

Glossary

In the Notice of Annual General Meeting and Explanatory Notes:

10% Additional Placement Capacity means the Shares issued under Listing Rule 7.1A.

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of directors of Core.

Closely Related Party means of a member of the Key Management Personnel means:

- a) a spouse or child of the member; or
- b) a child of the member's spouse; or
- c) a dependant of the member or of the member's spouse; or
- d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- e) a company the member controls; or
- f) a person prescribed by the Corporations Regulations 2001 (Cth).

Constitution means the constitution of the Company.

Core or **the Company** means Core Exploration Limited (ABN 80 146 287 809).

Corporations Act means the Corporations Act 2001 (Cth).

Corporations Regulations means the Corporations Regulations 2001 (Cth).

Director means a director of the Company.

Director Options means the unlisted options of the Company with an exercise price of \$0.20 and an expiry date of 13 November 2014.

Employee Options means the unlisted options of the Company with exercise prices of \$0.20, \$0.11 and \$0.13 and expiry dates of 20 September 2013, 18 June 2014 and 30 September 2014 respectively.

Equity Securities has the same meaning as in the Listing Rules.

Key Management Personnel means a member of the key management personnel as disclosed in the Remuneration Report.

Listing Rules means the listing rules of ASX.

Meeting means the Annual General Meeting of Shareholders to be held at the offices of Norman Waterhouse Lawyers at Level 15, 45 Pirie Street, Adelaide, South Australia on Tuesday 13 November 2012 at 3:30 pm (Adelaide time).

Member or **Shareholder** means each person registered as a holder of a Share.

Notice means this Notice of Annual General Meeting.

Ordinary Resolution means a resolution passed by more than 50% of the votes at a general meeting of Shareholders.

Remuneration Report means the section of the directors' report of Core that is included in the Annual Report.

Resolution means a resolution referred to in this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Special Resolution means a resolution passed by more than 75% of the votes at a general meeting of Shareholders.

Spill Resolution means, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGM's, then the Members will be required to vote at the second of those AGM's on a resolution ("Spill resolution") that another meeting be held within 90 days at which all of the directors (except the Managing Director) must stand for re-election.

