ASX ANNOUNCEMENT

ASX : CXO

15th January 2013

Significant uranium discovery confirmed by further results from maiden drill program at Core's Fitton project in northern SA

Highlights

- **New assays confirm the grade, thickness and extent of the uranium mineralisation at Scott Lee.**
- **Mineralisation at Scott Lee is open at depth and along strike in both directions.**
- **Recently received drill results from Hamilton and other prospects being evaluated.**
- **Further drilling expected to commence before the end of March.**

Further assays results from an end-of-2012 maiden drilling program have confirmed the strong uranium prospectivity of Core Exploration's (ASX: CXO) discovery at its wholly-owned Fitton project, 500 kilometres north of Adelaide in South Australia.

Results released today include confirmation of a new broad 29 metre intersection at Fitton's **Scott Lee** prospect where high grade uranium mineralisation was intersected in November last year in Core's maiden drill program on the project.

The 2012 end of year drilling campaign – the first by Core at Fitton - comprised a total of 1,902 metres of Reverse Circulation drilling with all seven known anomalies at Fitton included in the schedule (Figure 2).

Anomalous uranium levels have consistently been intersected by Core at Scott Lee with mineralisation concentrated at or near the contact between sheared mafic schist and granite, with the magnetic mafic schist the dominant host for the mineralisation.

Fitton is located in some of Australia's premier uranium acreage, being just north of the Beverley (46Mlb U_3O_8 Resource 7.7Mt @ 0.27% (21,000T U_3O_8)); Four Mile (71Mlb U_3O_8 Resource 9.8Mt @ 0.33% (32,000T U_3O_8)); and Mt Gee (69Mlb U_3O_8 Resource 51.0 MT @ 0.06% (31,400T U_3O_8)) uranium deposits, project developments and mines (Figure 3).

Mr Biggins said that as a result of the successful maiden drill campaign, Core is currently undertaking further exploration in lead up to follow up drilling at Fitton by March.

"This has been a very successful first drilling program as we have encountered high-grade uranium within broad intersections of mineralisation within the shear zone at the Scott Lee prospect" Mr Biggins said.

Early holes returned high grade assays of **5m @ 0.25% U_3O_8** within broad zones of mineralisation **(14m at 0.10% U_3O_8 & 29m @ 0.01% U_3O_8)** at Scott Lee (Table 1 & Figure 1).

All assays from the RC drilling at Scott Lee have now been received with significant results summarised below.

Hole ID	MGA_East	MGA_North	From	To	Width	U3O8 ppm	Cu ppm
Previously announced results							
SLRC001	365650	6686875	24	26	2	140	960
SLRC003	365577	6686914	25	26	1	355	243
SLRC004	**365479**	**6686914**	**21**	**32**	**11**	**174**	**951**
including			***27***	***32***	***5***	***217***	***1813***
SLRC005	365457	6686919	20	24	4	139	127
SLRC005			28	29	1	70	1690
SLRC007	365472	6686892	58	62	4	377	<100
SLRC008	**365505**	**6686896**	**49**	**60**	**11**	**1309**	**<100**
including			***51***	***56***	***5***	***2544***	***<100***
SLRC009	**365554**	**6686884**	**60**	**69**	**9**	**340**	***<100***
including			***67***	***68***	***1***	***1465***	***<100***
New Results							
SLRC011	**365494**	**6686915**	***21***	***32***	***11***	***103***	***<100***
SLRC012	**365501**	**6686880**	**76**	**105**	**29**	**100**	***155***
SLRC014	365406	6686901	*33*	*34*	*1*	121	<100
			48	*49*	*1*	184	<100
			63	*64*	*1*	273	<100

Table 1. Significant assay results from RC drilling at Scott Lee above 100ppm U_3O_8 or 1000ppm Cu.

A number of high uranium surface rock chip samples also occur away from the highest zones of magnetism, opening up the possibility for significant uranium mineralisation further along the non-magnetic parts of the shear-zone. The Company is currently undertaking field work to assess this potential (Figure 1).

Forward Program

As a result of the successful maiden drill campaign, Core is currently undertaking further exploration and field mapping comparing magnetic susceptibility and magnetic data to uranium distribution to identify prospective zones outside of the current targets.

Detailed infill soil sampling will being undertaken late this month at Fitton to identify new zones of surface mineralisation.

Aboriginal Heritage clearances and government approvals for drilling are in process to enable further drilling around the mineralisation at Fitton.

Follow-up "step-back" and "along strike" RC drilling is planned at Scott Lee during the current March quarter once land access is approved.

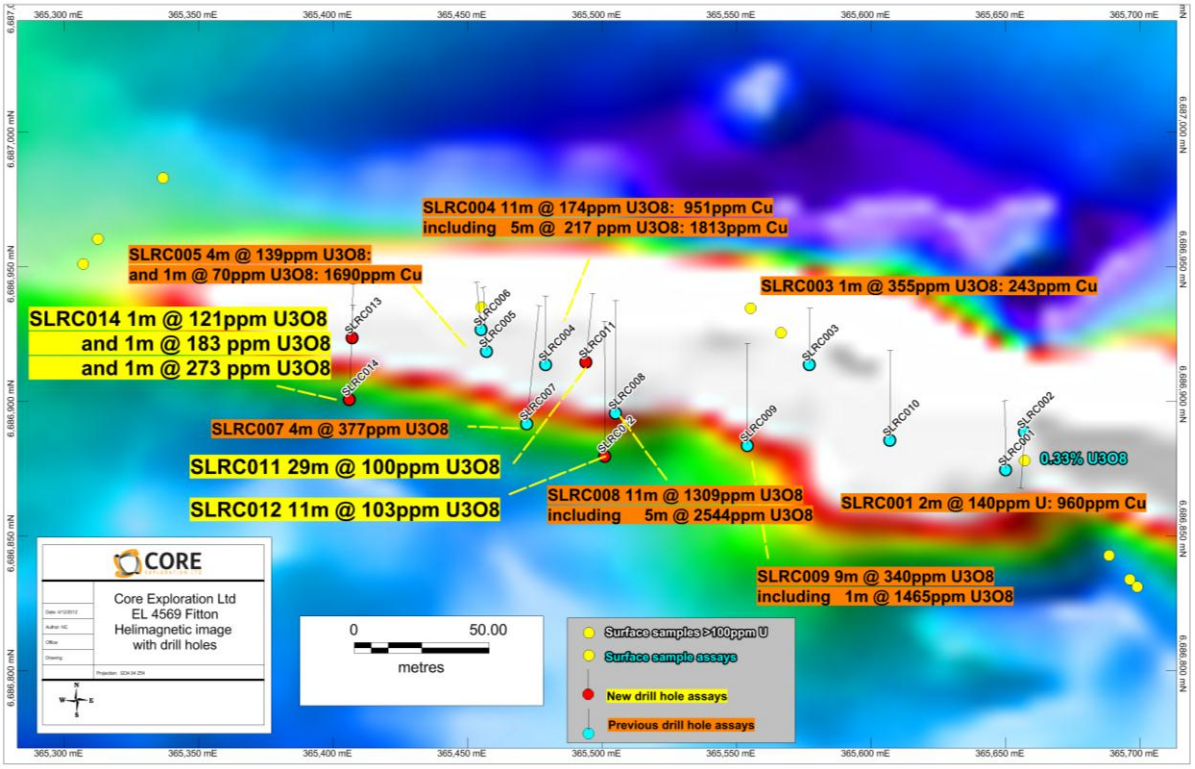

Figure 1. Significant drill results and drillhole locations overlain on RTP magnetic image, Scott Lee Prospect, Fitton Project, northern South Australia.

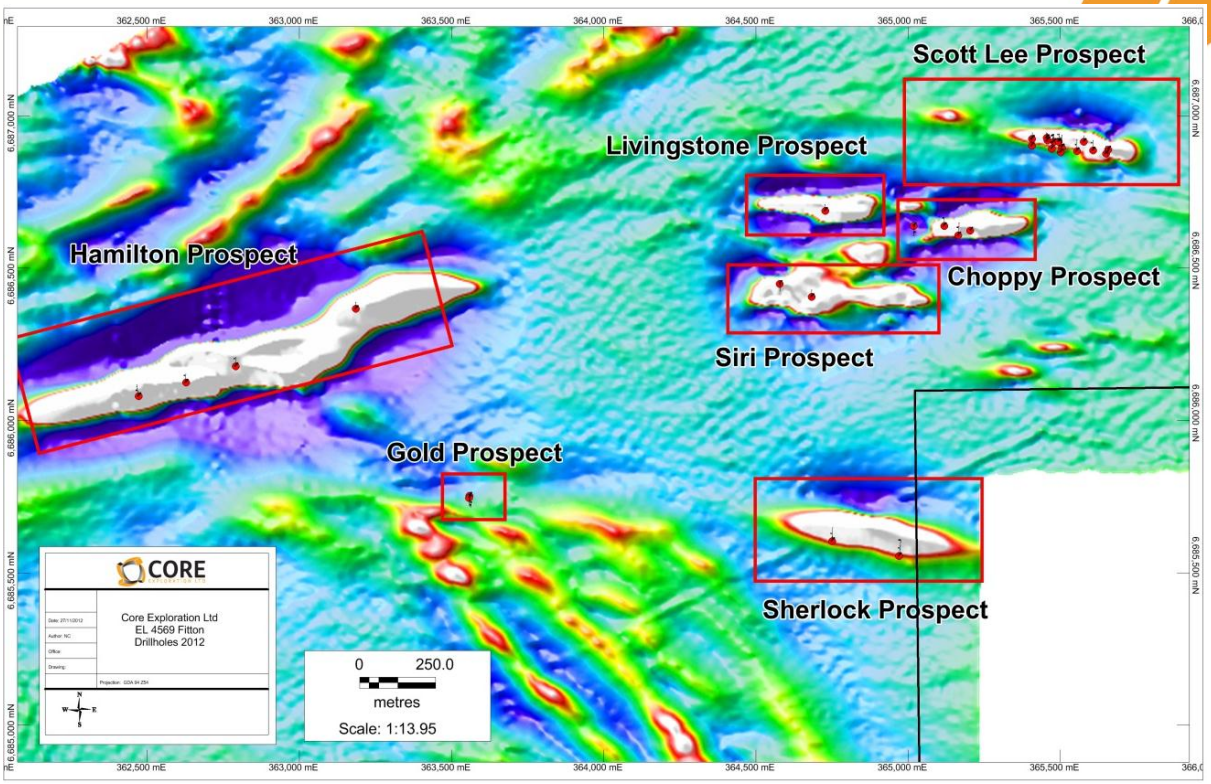

Figure 2. Drillhole and prospect location overlain on magnetic image, Fitton Project

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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.

\# *Notes to Table 1: All drill holes listed at Scott Lee were drilled due north at 60 degrees. Intervals are downhole and do not represent true widths. Uranium was assayed using a four acid digest on an Inductively Coupled Plasma Mass Spectrometer (ICP-MS) and copper was assayed using a four acid digest on an Inductively Coupled Plasma Optical Emission Spectrometer (ICP-OES). U_3O_8 ppm calculated from U ppm. Coordinates are in MGA 94 Z54. Includes intersections averaging above 100ppm U_3O_8 (20ppm cut-off) and 1000ppm Cu. NSA = No significant assays.*

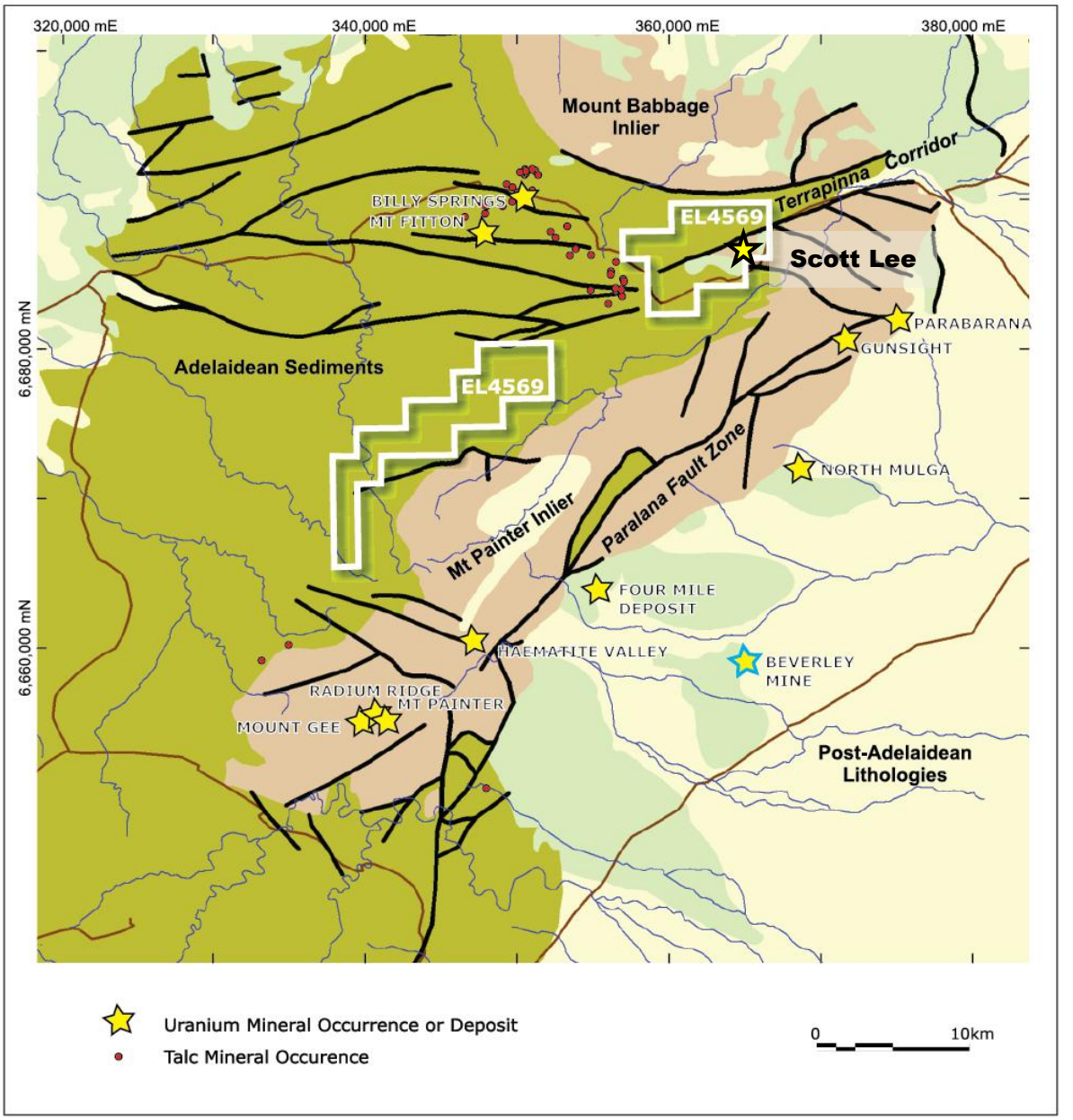

Figure 3. Core's 100% owned Fitton project (EL 4569) and world-class uranium deposits, mines and projects under development in the region.