



ASX ANNOUNCEMENT

ASX : CXO

5th June 2013

RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$1 MILLION FOR CONTINUED PROGRESS ON S.A. & N.T. PROJECTS

- Core Exploration is pleased to announce a 2-for-3 renounceable rights issue at 3 cents per share to raise up to \$1 million.
- The issue price reflects a 38% discount to the Company's closing share price prior to announcement of the offer.
- For every new share issued, subscribers will also receive one new option with an exercise price of 10 cents and term of 15 months.
- The rights issue will be partially underwritten to \$360,000. Patersons Securities Limited is Lead Manager and Underwriter.
- Eligible Core Exploration shareholders will be given the opportunity to apply for additional shares in excess of their entitlements.
- Net proceeds together with existing cash reserves will fund cost-efficient exploration to develop drill-ready targets on Company's SA and NT projects.
- Core's Investment Highlights include:
 - Yorke Peninsula Copper Project, SA
 - Alberta Copper Project, NT
 - Fitton Uranium Project, SA
 - Yerelina Silver-Lead-Zinc Project, SA

Core Exploration Limited (ASX: CXO) ("Core" or "Company") today announced a renounceable rights issue to raise up to \$0.98 million (before costs). The funds raised will be used to further progress the Company's active copper exploration in the NT, to build the first round of drill targets at the Alberta prospect and refine drill targets at Fitton and other Core projects.

The rights issue follows considerable exploration success by Core over the past 12 months. During that period, the Company has commenced copper exploration in Australia's new

IOCG copper exploration hotspot near Alice Springs in the NT, made one of the best SA uranium discoveries at Fitton since the Four Mile uranium deposit was found, identified a large scale silver-lead-zinc system at Yerelina and made significant inroads toward discovering copper on the Yorke Peninsula, also in SA.

Core's geologists are active in the field, "picking the low hanging fruit" copper targets at the highly-promising Albarta Project in the NT. Replicating the Company's successful exploration processes at Fitton in SA - good geology, mapping, soils and rock chip sampling – this NT work will deliver material results and newsflow from cost effective work to get these targets drill-ready over the next few months and be in a position to drill them later in 2013.

Already, there are six key Albarta prospects that have good copper numbers (+/- silver, gold, lead, zinc) over a reasonable size area but with very little previous exploration work has been undertaken on them to date. These prospects have potential to be excellent drill targets over coming months.

Core's 100%-owned Fitton uranium project is now sufficiently de-risked by the Company's drilling and provides the confidence that this project has real value in the context of a higher uranium price. The focus will therefore be on defining the next round of high-grade targets, be ready to drill these when the uranium price supports such activity, and to be in a solid position to deal with or defend Core's interest in the project.

Core's new Yerelina silver-lead-zinc Project in SA has yielded some great grades numbers and has the potential to deliver more excellent results as the Company extends and finds more mineralised structures with good geology, mapping and rock chip sampling work. Further good grade results are expected from this is cost-effective activity and may see Yerelina attractive to a JV partner given the project's non-core commodity suite.

Core's Yorke Peninsula Copper Project is located adjacent to the west of Rex Minerals (ASX:RXM) Hillside Project tenements in South Australia. Core has made significant inroads to making a copper discovery on its Yorke Peninsula Project. The Company's first diamond drill program on the project in 2012 identified low level copper mineralisation associated with alteration typical of other IOCG style deposits in South Australia.

Given the recent rerating by Rex Minerals (ASX:RXM) and the neighboring copper exploration success by Adelaide Resources (ASX:ADN), Core will be reviewing next steps at Yorke Peninsula in the context of a resurgence in interest and investment in this highly prospective and tightly held IOCG province

Rights Issue

Core is undertaking a renounceable rights issue ("Rights Issue") of two (2) new shares for every three (3) shares held at an issue price of 3 cents per share ("New Shares").



Subscribers to the Rights Issue will also receive one (1) free attaching option for every one (1) share subscribed for, exercisable at 10 cents on or before 31 October 2014.

Shareholders with an address in Australia or New Zealand on the Company's register on 18 June 2013 will be eligible to participate in the Rights Issue ("Eligible Shareholders").

The issue price reflects a 38% discount to the company's closing share price prior to announcement of the offer.

The issue is partially underwritten to \$360,000. Patersons is Lead Manager and Underwriter.

Core Exploration Directors reserve the right to place the remaining shortfall at their discretion within three months after the close of the offer.

Eligible shareholders' entitlements pursuant to this Rights Issue are renounceable and accordingly, they may:

- take up their rights in full and apply for additional new shares.
- take up their rights in full or in part;
- purchase additional rights on ASX;
- sell all or part of their rights on ASX; or
- do nothing, in which case their rights will lapse.

The proposed timetable for the Rights Issue is as follows:

Event	Date
Announcement of Rights Issue and Appendix 3B lodged	Wednesday, 5 June 2013
Prospectus lodged with ASIC and ASX	Wednesday, 5 June 2013
Notice sent to shareholders	Tuesday, 11 June 2013
Rights trading commences	Wednesday, 12 June 2013
'Ex' Date	Wednesday, 12 June 2013
Record Date	Tuesday, 18 June 2013
Dispatch of Prospectus and Entitlement & Acceptance Forms to shareholders, Rights Issue	Thursday, 20 June 2013
Rights trading ends	Thursday, 27 June 2013
Closing Date	Thursday, 4 July 2013
Notify ASX of under-subscriptions (if required)	Tuesday, 9 July 2013
Issue and allotment of new shares	Friday, 12 July 2013
New shares commence trading on ASX	Monday, 15 July 2013

The above dates are indicative only. Subject to the *Corporations Act 2001* and the ASX Listing Rules, the Directors reserve the right at their discretion to withdraw the offer at any time, close the Rights Issue early or extend the Closing Date for the offer. Should the offer be closed early or extended, there will be a consequential effect on the anticipated date of issue for the new shares.

Existing option holders will need to exercise their options and be a registered holder of shares at the close of business on 18 June 2013 if they wish to participate in the Rights Issue.

Core has decided it is unreasonable to make the offer to shareholders who have a registered address in a country outside of Australia or New Zealand, having regard to the number of shareholders in such places, the number and value of the new shares they would be offered and the substantial costs of complying with the legal and regulatory requirements in those jurisdictions.

Full details of the Rights Issue is set out in a Prospectus, which will be lodged by Core with the Australian Securities and Investments Commission (“ASIC”) and the Australian Securities Exchange (“ASX”) today.

For further information please contact:

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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.