



ASX ANNOUNCEMENT

ASX : CXO

22nd July 2013

NT Delivers Spectacular Silver Soil Results

HIGHLIGHTS

- Spectacular silver soil anomalism discovered at Blueys Prospect, NT
- Peak value of 25,250ppb silver is well above 100ppb commonly regarded as anomalous
- New Inkheart Prospect characterised by extremely high silver in soils
- Further high grade rock chip results strengthen potential for significant silver and copper mineralisation

Results of Core Exploration Ltd's (ASX: CXO) soil sampling program have revealed **extremely high silver (Ag) anomalism** in soils at the **Blueys Prospect (up to 25,250ppb Ag)** in the **Northern Territory** and at a newly-identified neighbouring target area named the **Inkheart Prospect, with a peak of 19,552ppb Ag**.

These very high values are spectacular when considering that 100ppb is commonly regarded as an anomalous silver in soils value.

The new results announced today have further enhanced the Blueys Prospect whilst also identifying further target areas at the nearby Inkheart Prospect. Core believes that these very high silver in soil results are an indicator of significant mineralisation at depth.

Core's latest results are from the active exploration program on EL 28136 around its Blueys Prospect within the Company's Albarta Project in the Northern Territory. Regional scale soil sampling has been collected in conjunction with mapping and sampling.

The newly-identified **1,500m by 250m** area of extremely high (greater than 1,000ppb) silver in soil anomaly (with a peak of **19,552ppb Ag**) north of Blueys has been named the **Inkheart Prospect** (Figure 1).

Core's **Blueys Prospect** also has a sizeable footprint (**500m x 250m**) greater than 1,000ppb Ag including a peak silver in soil value of **25,250ppb Ag** (Figure 1).

In addition, new rock chip sampling results has identified additional high grade silver bearing samples (Table 1: Figure 2).



Core is very encouraged with the soil results as it elevates the prospectivity of its Blueys and Inkheart Prospects to a level comparable to early stage exploration in areas such as Investigator Resources Ltd's (ASX:IVR) flagship Paris Project in S.A., where continued high grade silver is intersected at depth.

Soils Survey and Geological Sampling and Mapping

The company has collected 643 soil samples at and around the Blueys Prospect at 200 × 200m and 50 × 50m spacing (Figure 1). The program was planned to test the Blueys prospect to ascertain the level of anomalism in soils in the area of known mineralised samples, as well as to more coarsely sample the surrounding area to identify further targets.

The new soil data has confirmed spectacular silver anomalism in soils associated with copper and lead within the Bitter Springs Formation at both the Blueys and new Inkheart Prospects (Figure 1).

Mapping has also identified that the reactive carbonate rocks (Neoproterozoic Bitter Springs Formation), common at the Blueys Prospect, contain visual copper carbonate minerals (malachite and azurite) and high-grade silver geochemistry. Core believes the reactive carbonate characteristics of the Bitter Springs Formation to be an ideal host unit for mineralisation. At the Blueys Prospect the silver soil anomalies match the location of Bitter Springs Formation wrapping around basement granites and amphibolites (Figure 1).

The Blueys and Inkheart Prospects occur in the same geological setting, within the Neoproterozoic Bitter Springs Formation, at the contact with Proterozoic basement. The Inkheart Prospect has a dominant north-east orientation consistent with the regional structural trend.

The most recent rock chip results from Core at Blueys has confirmed further high grade silver bearing samples from within both overlying carbonate units as well as from within gossanous basement lithologies (Table 1: Figure 2).

Whilst high grade silver results have been identified in outcropping rocks within the silver-in-soils anomaly at Blueys, Core believes that the broad distribution of the very high silver soil anomaly away from known outcropping mineralisation indicates that the anomalies are reflecting the residual soil profile and additional underlying mineralisation.

Comparing silver in soil results

Core's **Blueys Prospect** has been sampled at 50m × 50m spacing and has a greater than 100ppb Ag in soils footprint of 1,000m x 500m with the central area of 500m x 250m assaying over 1,000ppb. Its-peak-silver in soil value is **25,250ppb** Ag (Figure 1).



Core's **Inkheart Prospect** has a footprint of 1,400m x 300m wide area assaying over 1,000ppb, with a peak silver-in-soil value of **19,552ppb Ag (Figure 1)**.

Investigator Resources Ltd (ASX: IVR) has successfully used soil sampling on its Peterlumbo mineral field on the Eyre Peninsula, SA, using similar geochemical sampling and analytical techniques to those applied by Core at Albarta. Core notes that IVR's results have detailed an over 100ppb silver-in-soils anomaly from its flagship Paris Prospect covering "about 1200m by 200m to 400m" with an over 500ppb Ag footprint of about 200m and a peak silver-in-soil value of 1,629ppb (IVR: ASX release 16th April, 2013).

Next Steps

The success of Core's latest soil sampling program has encouraged the company to utilise the technique over a larger footprint of the tenement (EL 28136) to test for further Cu – Ag – Pb and/or Zn anomalies at the key NT prospects.

Core intends to follow up the high grade soil values at Inkheart through further soil sampling, infilling the spacing distance to 50 × 50m. Initial mapping at the prospect has identified an outcropping gossan within the central part of the soil anomaly. Further rock chip sampling and mapping will be undertaken in conjunction with the soil sampling.

The company will then systematically undertake targeted geophysical surveys over Blueys, Inkheart and any as yet, unidentified prospects in preparation for drilling later in 2013.

Historic drilling at the prospect is located within the eastern part of Core's silver in soil anomaly at Blueys. Core believes the very shallow depths of drilling (nothing greater than 55m) combined with the dip and location of the holes mean that they may have drilled parallel to the mineralised zone identified at surface. This means that the holes have not tested the main zone of mineralisation (Figure 2).

Albarta Project Background

The Blueys and Inkheart Prospects are within Core's Albarta Project that covers over 2,000km² of the newly recognised, highly prospective IOCG Aileron Province, 100km NE of Alice Springs in the NT. Core's tenements include a number of significant copper, silver, uranium, gold, REE and PGE mineral occurrences (Figure 3).

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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.

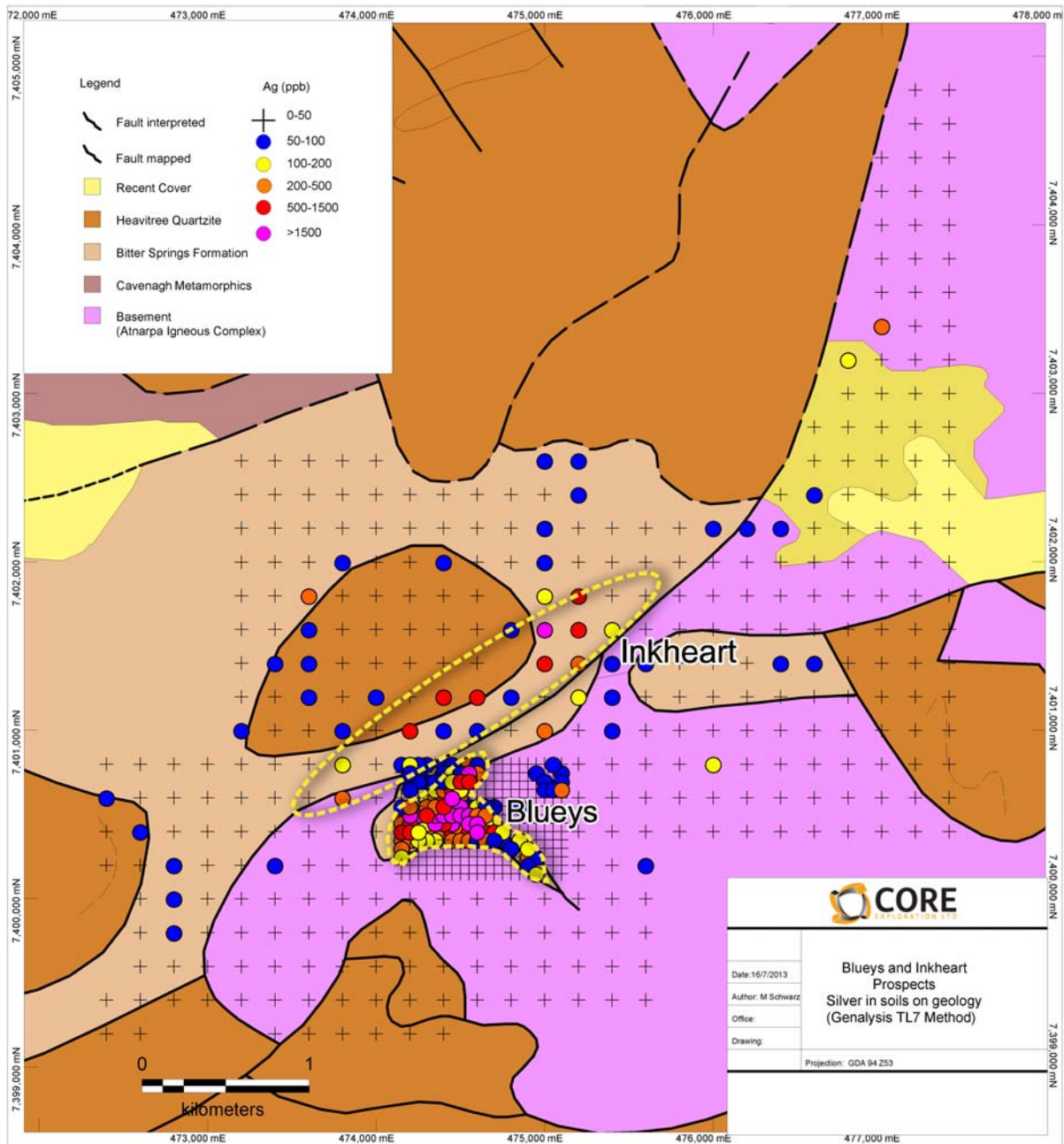


Figure 1. Blueys soil sample anomalism, backing of simplified geology, Blueys and Inkheart Prospects

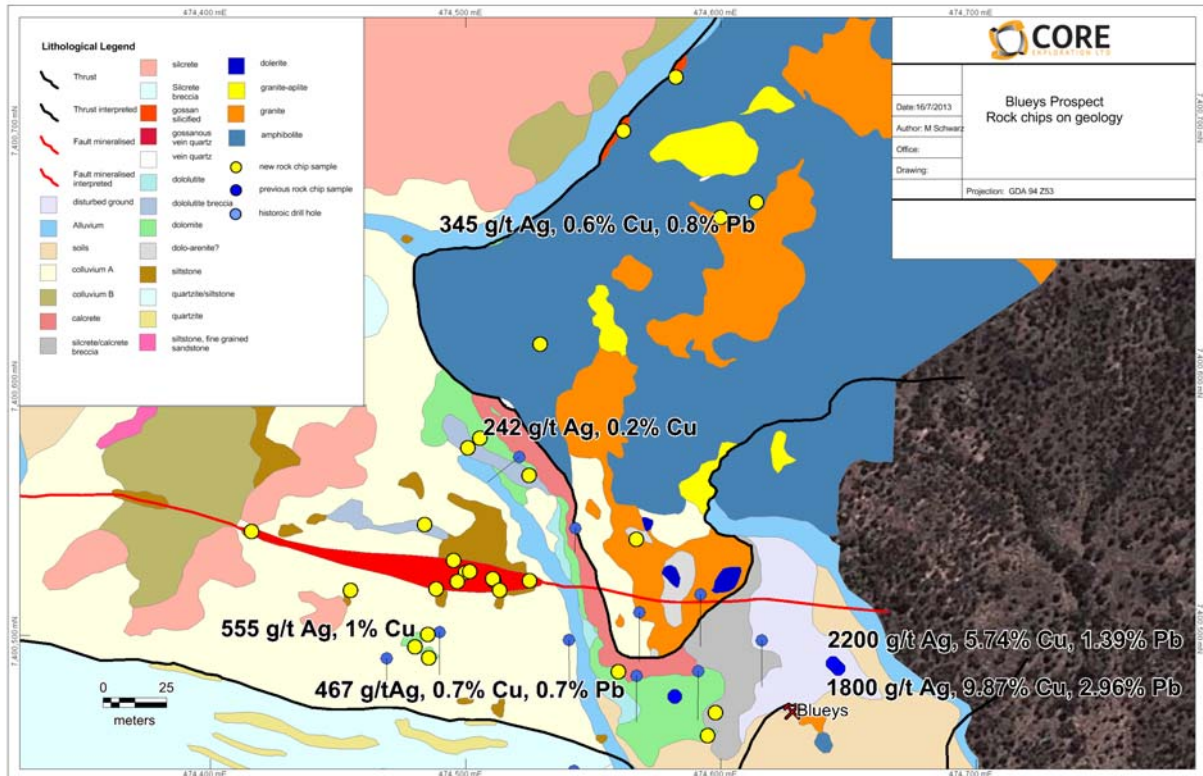


Figure 2. Best rock chips and previous drilling on detailed geology

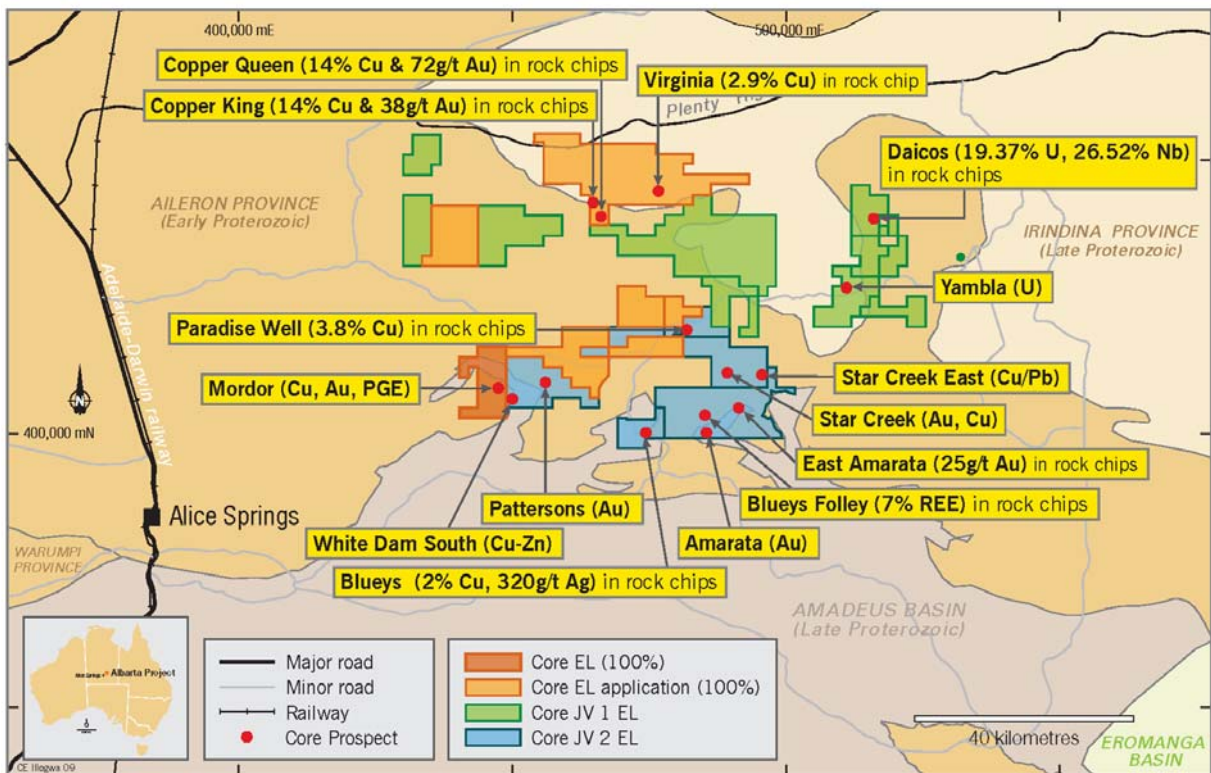


Figure 3. Core's Albarta Project prospects and tenements overlain on regional geology, NT

Sample ID	Easting	Northing	Sample Description	Au g/t	Ag ppm	Cu ppm	Cu %	Pb ppm	Pb %	Sb ppm	Sb %	Zn ppm
BLRK011	474567	7400538	vein qtz	X	0.2	115	0.01	6	0.00	3.8	0.00	30
BLRK014	474529	7400614	gossanous vein calcite in amphibolite	X	X	154	0.02	X	X	0.4	0.00	56
BLRK019	474562	7400698	gossanous silicified rock	X	0.8	39	0.00	24	0.00	7.5	0.00	46
BLRK020	474582	7400719	gossanous rock	X	X	18	0.00	50	0.01	2.2	0.00	57
BLRK024	474614	7400670	gossanous calcrete/calcite breccia	0.07	344.7	6204	0.62	7932	0.79	2565.2	0.26	266
BLRK025	474600	7400664	granite & vein qtz	X	1.6	49	0.00	49	0.00	22.3	0.00	19
BLRK028	474681	7400725	gossanous calcite/calcrete	X	1.6	79	0.01	1297	0.13	9.4	0.00	69
BLRK029	474685	7400724	amphibolite	X	0.1	119	0.01	11	0.00	2.9	0.00	103
BLRK030	474683	7400723	aplite	X	0.1	38	0.00	19	0.00	2.5	0.00	40
BLRK033	474595	7400461	brecciated dolomite	X	33.7	152	0.02	1102	0.11	17.8	0.00	104
BLRK034	474598	7400470	silcrete breccia	X	95.6	463	0.05	8314	0.83	17.1	0.00	108
BLRK040	474560	7400486	dolomite breccia & vein qtz	0.04	467.4	7391	0.74	7456	0.75	1150.1	0.12	290
BLRK045	474525	7400563	dolo-siltstone & vein qtz	X	10.6	179	0.02	95	0.01	33.4	0.00	86
BLRK047	474506	7400578	dolo-siltstone breccia & vein qtz	0.02	242.4	2250	0.23	89	0.01	137.7	0.01	58
BLRK057	474500	7400525	siltstone brecciated & vein qtz	0.03	21.4	296	0.03	260	0.03	164.5	0.02	63
BLRK058	474495	7400530	siltstone breccia & vein qtz	0.03	23.8	121	0.01	733	0.07	46.1	0.00	48
BLRK059	474484	7400544	siltstone breccia & vein qtz	X	6.2	43	0.00	40	0.00	10.6	0.00	36
BLRK063	474489	7400518	siltstone & vein qtz	X	10.1	196	0.02	841	0.08	17.6	0.00	28
BLRK065	474497	7400521	vein qtz gossanous siltstone	X	32.6	241	0.02	70	0.01	28.5	0.00	120
BLRK066	474502	7400525	vein qtz in siltstone	X	13.3	46	0.00	313	0.03	24.3	0.00	48
BLRK067	474511	7400523	gossanous qtz vein	X	19.1	71	0.01	119	0.01	19.9	0.00	59
BLRK068	474511	7400522	gossanous qtz vein	X	13.6	159	0.02	119	0.01	18.6	0.00	81
BLRK069	474513	7400518	vein qtz	X	34.6	241	0.02	106	0.01	49.4	0.00	177
BLRK070	474525	7400522	gossanous qtz vein	X	20.5	144	0.01	553	0.06	36.6	0.00	86
BLRK072	474485	7400501	dolomite & qtz/calcite malachite vein	0.05	555	10058	1.01	502	0.05	3526.4	0.35	1235

Sample ID	Easting	Northing	Sample Description	Au g/t	Ag ppm	Cu ppm	Cu %	Pb ppm	Pb %	Sb ppm	Sb %	Zn ppm
BLRK073	474486	7400491	dolomite & malachite	X	52.5	10709	1.07	69	0.01	66.5	0.01	465
BLRK074	474480	7400496	gossanous qtz in siltstone	X	14.1	79386	7.94	379	0.04	270.2	0.03	1158
BLRK077	474455	7400518	siltstone & gossanous qtz vein	X	7.6	342	0.03	190	0.02	97.4	0.01	69
BLRK079	474416	7400541	qtz veined siltstone	X	12.4	157	0.02	148	0.01	31.2	0.00	34

Table 1. All recently collected rock-chip samples from Blueys Prospect, EL 28136, Albarta Project JV, NT.

Ag: 4A/MS 4 Acid Digest Mass Spectrometry:

Cu: 4A/OE 4 Acid Digest Inductively Coupled Plasma Optical Emission Spectrometry

The presence of this mapped surface mineralisation and alteration may or may not extend at depth and this can only be confirmed by drilling