



ASX ANNOUNCEMENT

ASX: CXO

12 February 2014

Core moves to 100% ownership of new Australian Exploration 'Hot-Spot'

HIGHLIGHTS

- Core has moved to full ownership in all of its JV tenements at the promising Albarta minerals Project in the NT
- Acquisition means Core now holds a 100% interest in over 2,000km² of fully granted tenure in Australia's newest exploration hot-spot.
- Albarta hosts multiple occurrences of high-grade copper (+ silver) mineralisation indicating strong prospectivity and quality drill targets. Including :
 - Up to 10% copper and 4,500 g/t silver at surface, Blueys Project
- Core's ground breaking exploration is delivering exceptional results and generating multiple high-potential drill targets
- CXO shareholders now have complete upside to the upcoming drilling program at Albarta

Core Exploration Ltd (ASX: CXO) is pleased to announce tenement acquisitions that take the Company to 100% ownership of exploration interests in its larger Albarta Project that covers over 2,000km² of the newly recognised, highly prospective IOCG Aileron Province, 100km NE of Alice Springs in the Northern Territory.

Commenting on the acquisition Core's Managing Director, Stephen Biggins, stated "Given the outstanding exploration results received to date across our Albarta Tenements, management decided it would be prudent to secure 100% ownership of these tenements prior to initiating our maiden drilling program. This acquisition gives Core shareholders the maximum exposure to the upside as we prepare for drilling."

The acquisition of the interests of other JV tenement holders also gives the Company the flexibility to deal with the multi-commodity exploration strategies evolving within the Alberta Project. Core's tenements include a number of significant copper, silver, PGE, REE and uranium mineral occurrences (Figure 1).

The Company believes that the existing evidence of mineralisation and recently confirmed IOCG prospectivity by Geoscience Australia, NTGS and other companies verifies the strategy that Core has pursued to take a strong position in an area that is becoming Australia's new exploration hot-spot.

Core's recent exploration has identified highly prospective drill targets at both the Blueys and Inkheart Prospects within EL 28136, the Company's new Blueys Silver Project in the Northern Territory. Core believes that these new drill targets in combination with extremely anomalous silver in soil and high-grade rock chip results are a very strong indicator of significant mineralisation at depth (refer ASX 4 December 2013).

Tenement Acquisition Terms

DBL Blues Pty Ltd (a wholly owned subsidiary of Core) has entered into separate sale and purchase agreements (**Agreements**) with each of the JV participants at Alberta. As previously announced, the Alberta joint venture tenements are subject to two separate joint ventures (known as JV1 and JV2) with different JV participants in each joint venture. The consideration payable for purchase of each of JV1 and JV2 interests is the issue of Core ordinary shares (**Shares**), as set out below:

	<u>JV1</u>	<u>JV2</u>
<u>Tenements</u>	<u>EL 29280, EL 28852, EL 28853, EL 28854, EL 29304, EL29347, EL29389, EL29512 and EL 29514</u>	<u>EL 27369, EL 27709, EL 28029, EL 28136 and EL 28546</u>
<u>Tranche 1 Shares</u>	<u>3,000,000</u>	<u>7,000,000</u>
<u>Tranche 2 Shares</u>	<u>Nil</u>	<u>3,000,000</u>
<u>Total Shares</u>	<u>3,000,000</u>	<u>10,000,000</u>

Other key terms of the Agreements are:

- Core must convene a meeting of shareholders to approve the issue of the Tranche 1 Shares. If shareholder approval is not given, then Core may elect to purchase the Tranche 1 JV1 and JV2 interests by paying the cash amount of \$300,000 (JV1) and \$700,000 (JV2) to the respective JV participants in lieu of the issue of Tranche 1 Shares;
- Completion of the sale and purchase of the JV interest is conditional upon the grant of Ministerial consent;
- Half of the Tranche 1 Shares issued to each seller will be escrowed for a period of 6 months from the date of issue whilst the remaining half will be escrowed for 12 months from the date of issue; and
- The Tranche 2 Shares will only be issued if a JORC Mineral Resource is defined within the JV2 tenement area by 31 December 2018. The issue of the Tranche 2 Shares will be subject to shareholder approval and the Tranche 2 Shares will be held in escrow for a period of 6 months from the date of issue. If shareholder approval is not given, then Core may elect to pay the cash amount of \$300,000.



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The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd 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. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Biggins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

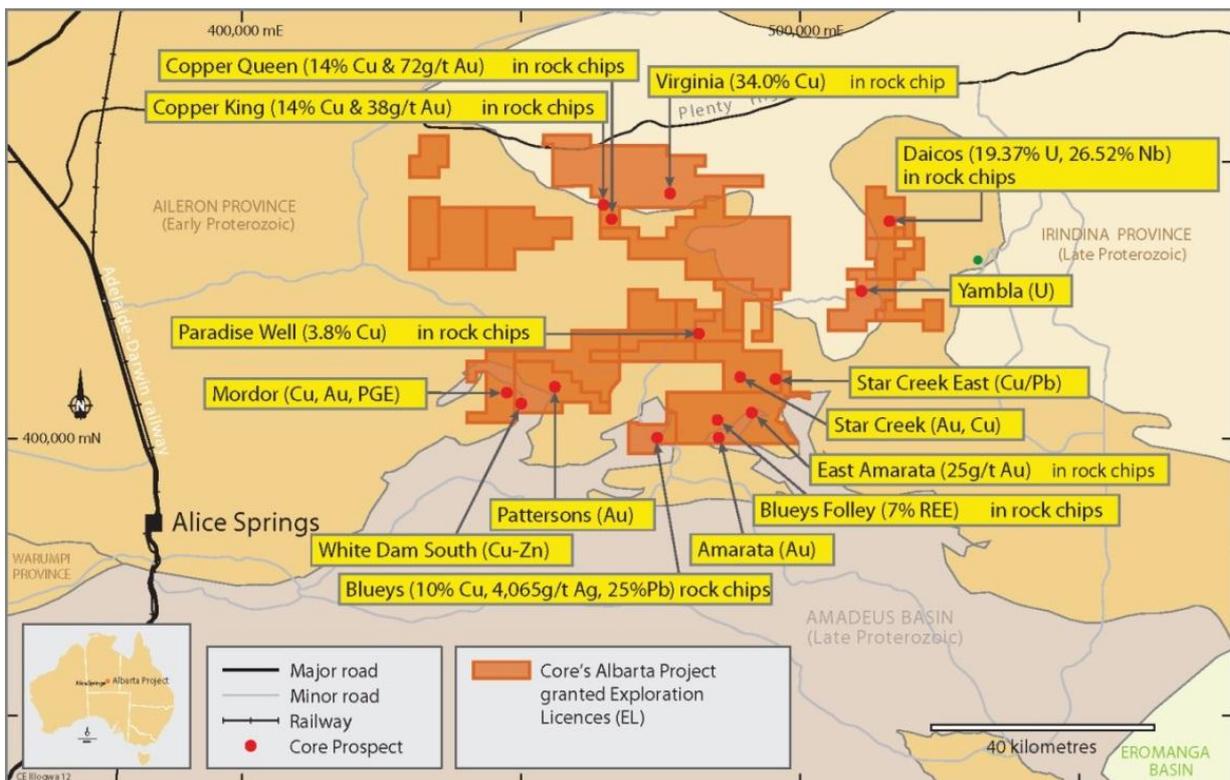


Figure 1: Core's 100% owned Alberta Project prospects and tenements on regional geology, NT