



ASX ANNOUNCEMENT

ASX : CXO

15 August 2014

\$1,000,000 placement to fund multiple drill programs and advance Jervois area exploration in the NT

- **Heavily oversubscribed placement to sophisticated investors raises \$1,000,000.**
- **Priced at a premium to the 15 day VWAP.**
- **Funding now secured for multiple drilling programs at the Albarta project.**
- **Exploration activities to be initiated immediately at Jervois project with the aim to identify drill targets.**

Core Exploration Limited (ASX:CXO) is pleased to announce it has received firm commitments from professional and sophisticated investors for 18,181,818 new shares at an issue price of 5.5 cents per share to raise \$1,000,000 (before costs) (**Placement**).

The Placement is priced at \$0.055 per share which represents a discount of 5% to Core's last closing price on ASX and a 2% premium to Core's 15 day volume weighted price on ASX.

The funds raised from the Placement will be used to:

- Commence drilling at the Blueys and Inkheart Prospects during the first week in September. The objective of the program is to extend high grade silver, lead and zinc mineralisation that has been identified at surface and intersected by Core's drilling at depth in the east Arunta, NT
- Drill the Virginia and Copper Queen copper prospects where strong IP targets have been defined by Core at depth below surface mineralisation grading up to 20% copper in the east Arunta, NT
- Advance exploration on Core's tenements covering approximately 280km² adjacent to KGL's Jervois project in the east Arunta NT. This will include mapping, soils and rock-chip sampling and Airborne Electro Magnetic (AEM) surveys aimed at developing drill targets.
- Provide the Company with working capital to enable it to support the acceleration of exploration activities over the greater Albarta project.

Core's Managing Director, Mr Stephen Biggins, commented "With extra funding in hand, Core is now very well placed to build on the two years the Company has invested in attaining a strong position in Australia's newest exploration province in the NT. The imminent drill focussed, discovery phase of our work across multiple targets marks the beginning of an exciting stage for Core shareholders."

The Placement will be made to sophisticated, professional and institutional investors under the Company's 15% placement capacity under Listing Rule 7.1 and 10% placement capacity under Listing Rule 7.1A, consequently shareholder approval is not required for the Placement. InSync Equity Services and Pulse Markets acted as managers for the Placement.

Disclosure required under ASX Listing Rules 7.1A.4(b) and 3.10.5A

In relation to the Placement, and in accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A the Company makes the following disclosures:

- (a) The Company will issue a total of 18,181,818 fully paid ordinary shares at 5.5 cents per share of which 10,680,074 fully paid ordinary shares will be issued under Listing Rule 7.1A and the remaining shares will be issued under the Company's 15% placement capacity under Listing Rule 7.1.

The securities issued under Listing Rule 7.1A resulted in the following dilution to existing holders of ordinary securities:

- Number of fully paid ordinary shares on issue prior to the placement of securities under LR 7.1A was 106,800,740.
- Number of fully paid ordinary shares on issue following this issue of securities under LR 7.1A will be 117,480,814 (a total of 124,982,558 including the issue under LR 7.1).
- Percentage of voting dilution following the issue under LR 7.1A is 10% (17% whereby the issue under LR 7.1 is taken into account).

- (b) The Company will issue shares as a placement to sophisticated, professional and institutional investors. The issue will be made as a placement and not as a pro-rata issue or other type of issue in which existing shareholders would have been able to participate. This approach has been taken as it considered that the issue, being carried out as part of the Placement, is the most cost-efficient and expedient method available at the time for raising, at an appropriate price, the funds required by the Company to achieve its objectives, given the funding certainty, strong investor enquiry and the pricing achieved under the Placement. Further, Core has offered shares to existing shareholders under the Share Purchase Plan undertaken this year and closing in March 2014.



- (c) No underwriting arrangements were entered into in relation to the placement under Listing Rule 7.1A.
- (d) Fees of 6% of the total funds raised under the Placement are due to be paid.

For further information please contact:

Stephen Biggins
Managing Director
Core Exploration Ltd
T: +61 8 7324 2987
info@coreexploration.com.au

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.