

1st May, 2014

Core Exploration Limited (ASX code: CXO)

Drilling to Commence at the Albarta Project, Northern Territory

The InSync Model is to identify Companies with:

- A Clear Business Strategy
- Strong, Proven Management
- Profit Driven Fundamentals
- A Clear Path to Cash Flows
- Strong Growth Prospects
- Multiple Upside Potential

Table 1: CXO Corporate Summary

CXO share price (as at 30 th April, 2014)	A\$0.051
12 month price range ⁽¹⁾	A\$0.023 – A\$0.071
Current shares on issue	106.8m
Current cash balance ⁽²⁾	A\$2.0m
Market capitalisation ⁽³⁾	A\$5.4m
Shares on issue (fully diluted)	158.3m
<p>(1) 12 month high of A\$0.071/share reached on 12th February, 2014</p> <p>(2) As at 31st March 2014</p> <p>(3) Does not include options listed (32.7m \$0.10, 31st October, 2014) and unlisted (9.8m various ex-prices and exp).</p>	

High Impact Drilling Program at the 100% Owned Albarta Project, NT, Australia

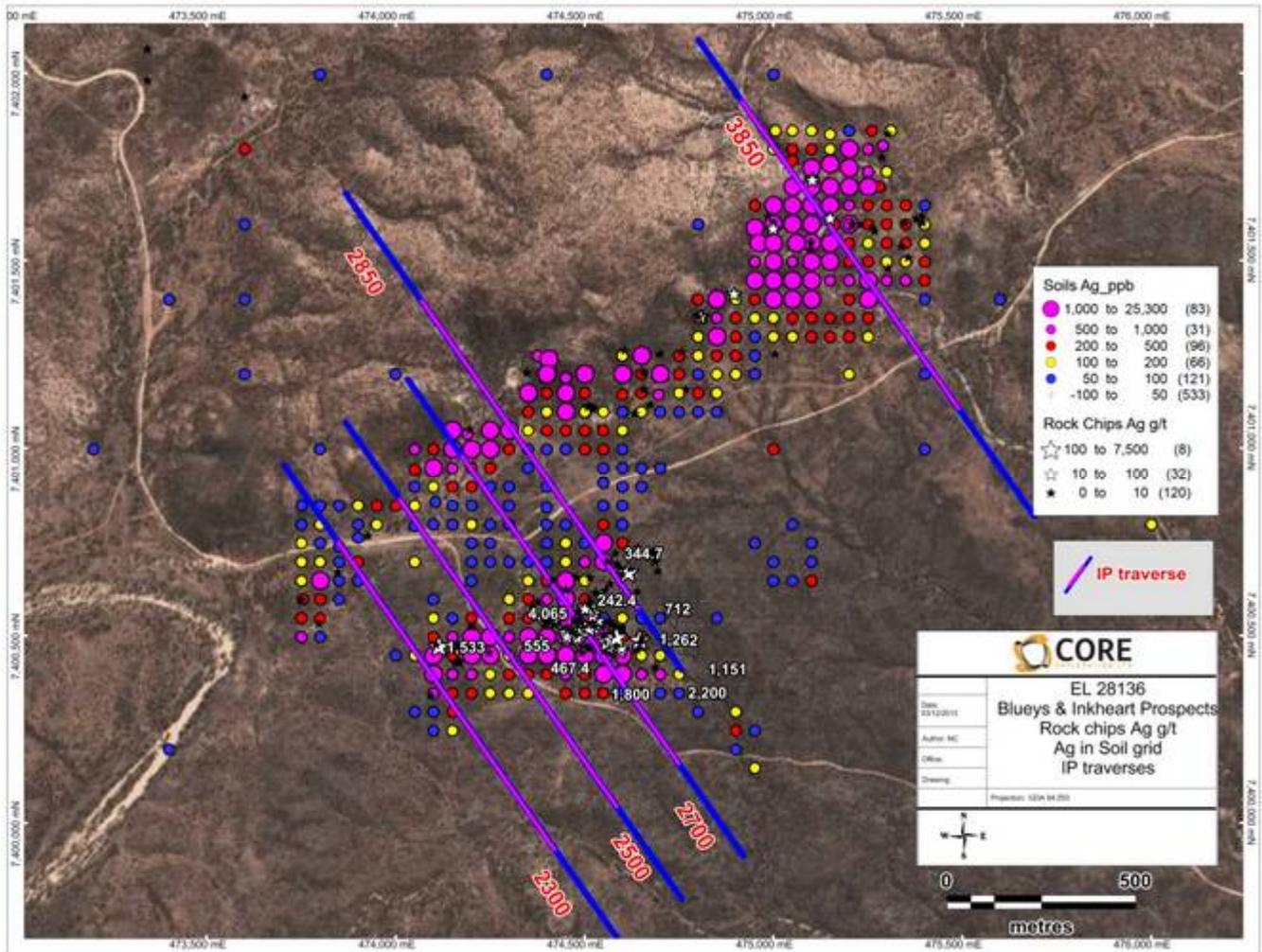
Core Exploration Limited (CXO) is about to begin a high impact drilling campaign at its 100% owned Albarta Project located near Alice Springs in the Northern Territory. The program will consist of approximately 2,500 metres of RC drilling at their Bluey’s and Inkheart prospects. Both prospects have been defined as exceptional targets for significant silver (Ag) mineralization. Blueys has a sizable silver footprint of 500m x 250m where soil geochemistry results are over 1,000ppb Ag and with a peak reading of 25,250ppb. Rock chip samples taken from the area have assayed up to 4,065 g/t Ag. Inkheart has a larger footprint with soil geochemistry results greater than 1,000ppb Ag over an area measuring 1,200 x 300 metres including a peak reading of 19,552ppb Ag. The key is that these silver values are well above 100ppb which is commonly regarded as anomalous.

If we compare Investigator Resources Ltd (ASX: IVR) flagship Paris Prospect in SA with Blueys and Inkheart prospects, Paris had a footprint of 1,200m x 300m assaying over 100ppb Ag with a centre of about 200m over 500ppb Ag and a peak silver in soil value of 1,629ppb Ag. From these results IVR discovered the Paris silver deposit which resulted in a substantial increase in market capitalisation for the company (market cap \$103m at its peak, currently \$18m).

Table 1: Comparison of CXO’s Blueys and Inkheart Project with IVR’s Paris discovery

Project	Footprint Size	Peak Soil Geochemistry Ag ppb
Paris - IVR	1,200m x 300m	100 ppb Ag, peak of 1,629ppb Ag
Blueys - CXO	500m x 250m	1,000 ppb Ag, peak of 25,250ppb Ag
Inkheart – CXO	1,200m x 300m	1,000 ppb Ag, peak of 19,552ppb Ag

Figure 1: Location of IP lines, all rock chip samples over 100ppm Ag highlighted and silver in soil displayed, Blueys and Inkheart Prospects, EL 28136 Northern Territory.



The location and number of pink dots (>1,000 ppb Ag) shown on the above chart highlights the dimensions of CXO’s targets at Blueys and Inkheart. The silver in soil anomalies assaying over 1,000ppm Ag are consistent over an extensive area which reinforces the potential for a significant discovery.

Core has also conducted Induced Polarisation (IP) geophysical surveys over the Blueys and Inkheart prospects. What makes these targets particularly attractive is that analysis of the results has shown a strong correlation between high grade silver at surface, high grade silver, copper and lead in soils at surface and the chargeable IP anomalies at depth (Figures 2 to 4 below show relative position of some of the IP anomalies relative to the high silver in soil anomalies recorded at surface at both Blueys and Inkheart).

Figure 2: Chart showing BLUEYS IP targets relative to high silver in soil geochemistry results

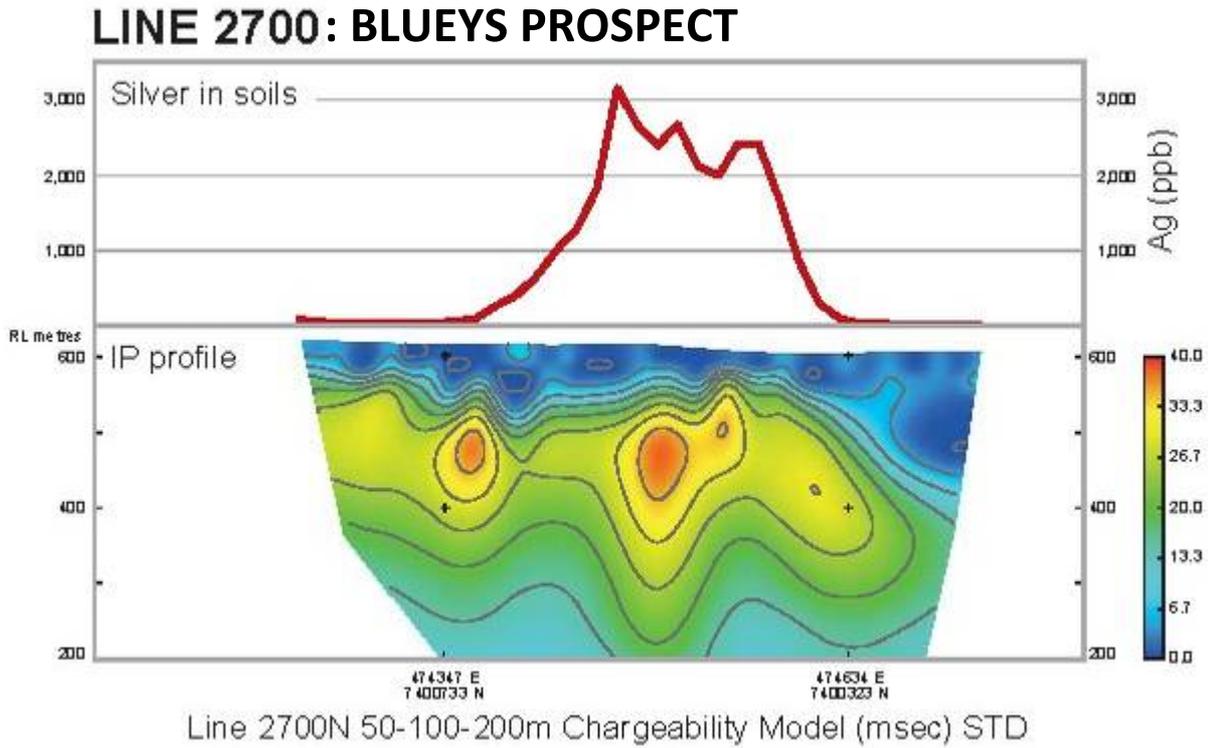


Figure 3: Chart showing BLUEYS & INKHEART IP targets relative to high silver in soil geochemistry results

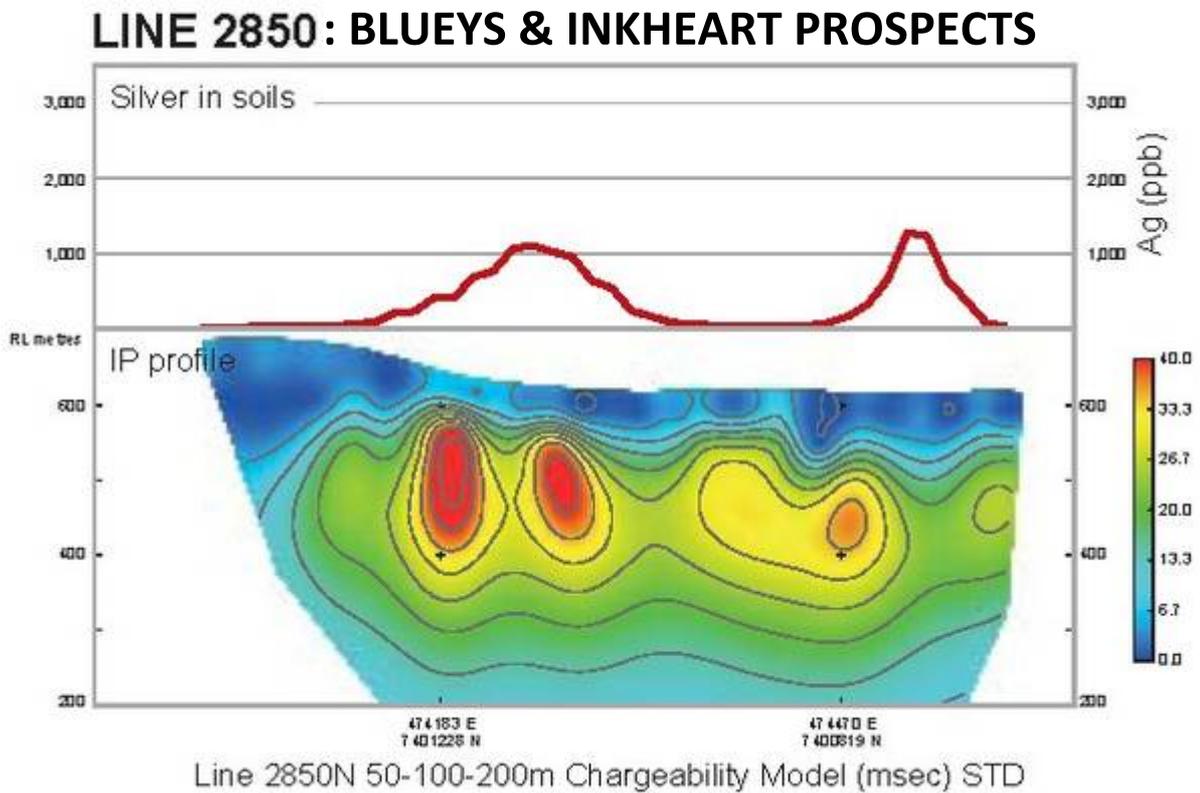
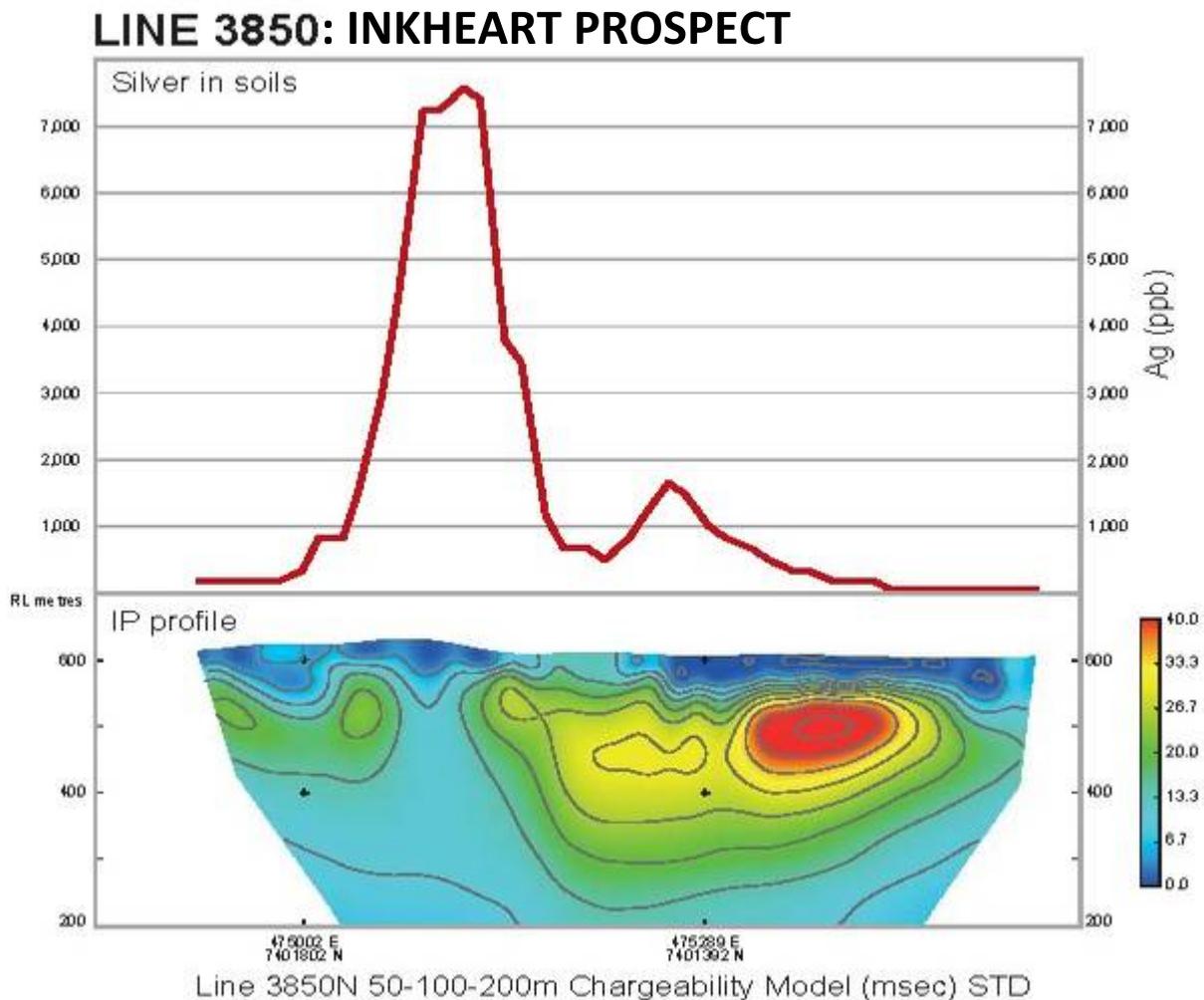


Figure 4: Chart showing INKHEART IP target relative to high silver in soil geochemistry results



The link below is to the latest Board Room Radio presentation dated the 6th of March, 2014. The presentation includes an explanation of the upcoming drill program, including a 3D fly-through which shows the location of planned holes at both the Blueys and Inkheart.

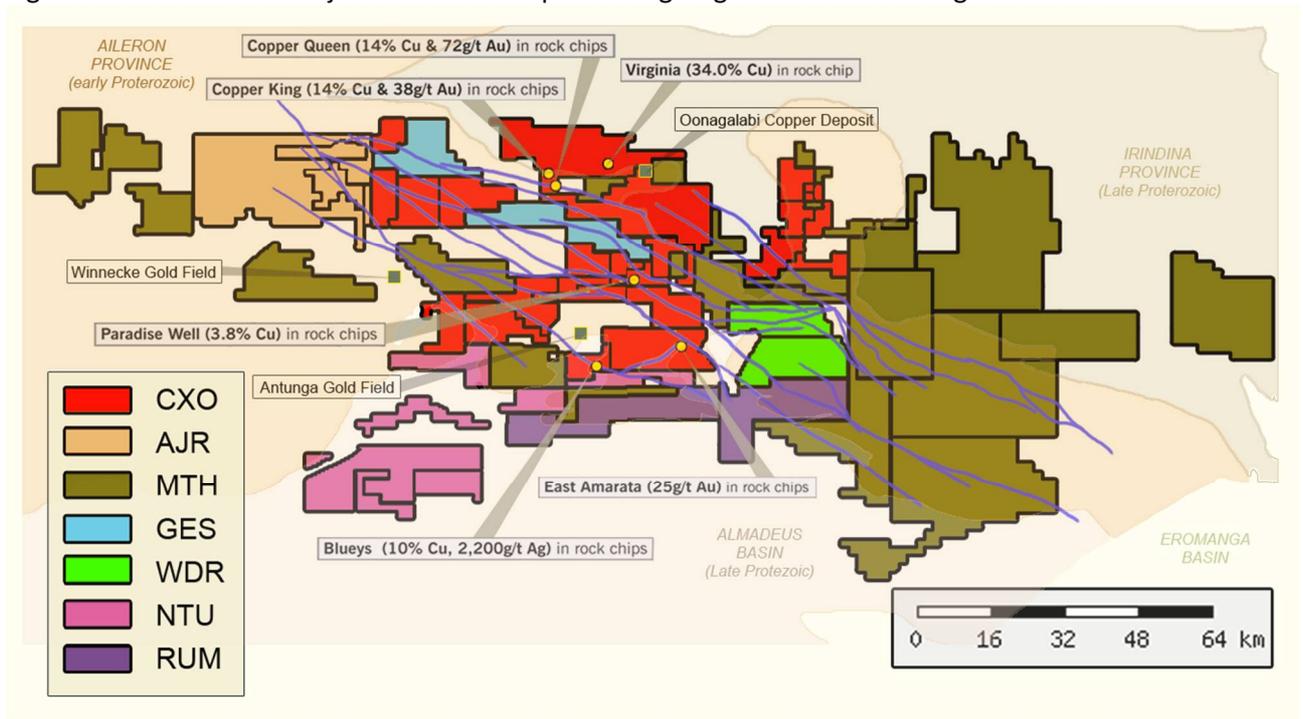
<http://www.brrmedia.com/event/121748/mr-stephen-biggins-managing-director-of-core-exploration>

Albarta Tenements and Prospects

CXO's portfolio of tenements which comprise the Albarta Project are shown in figure 5 below. As can be seen, the company's presence in the area is extensive with multiple prospects with the potential for discoveries in Copper (Cu), Gold (Au) and silver (Ag). Apart from the silver at Blueys and Inkheart, there are numerous other exciting targets including the Copper King, Virginia, Paradise Well and Mordor prospects. The total area now held 100% by CXO is over 2,000 km² across 20 tenements.

With the palladium price near a 5-year high the Mordor prospect looks particularly interesting. Rio Tinto (CRA) spent considerable time and effort exploring this project because of its strong primary geological model and elevated PGM metals. The ore grade is typically high, but extremely variable in these types of deposits and not much drilling has been done to date. The prospect has some very simple walk up deeper drilling targets such as Braveheart and Orodruin.

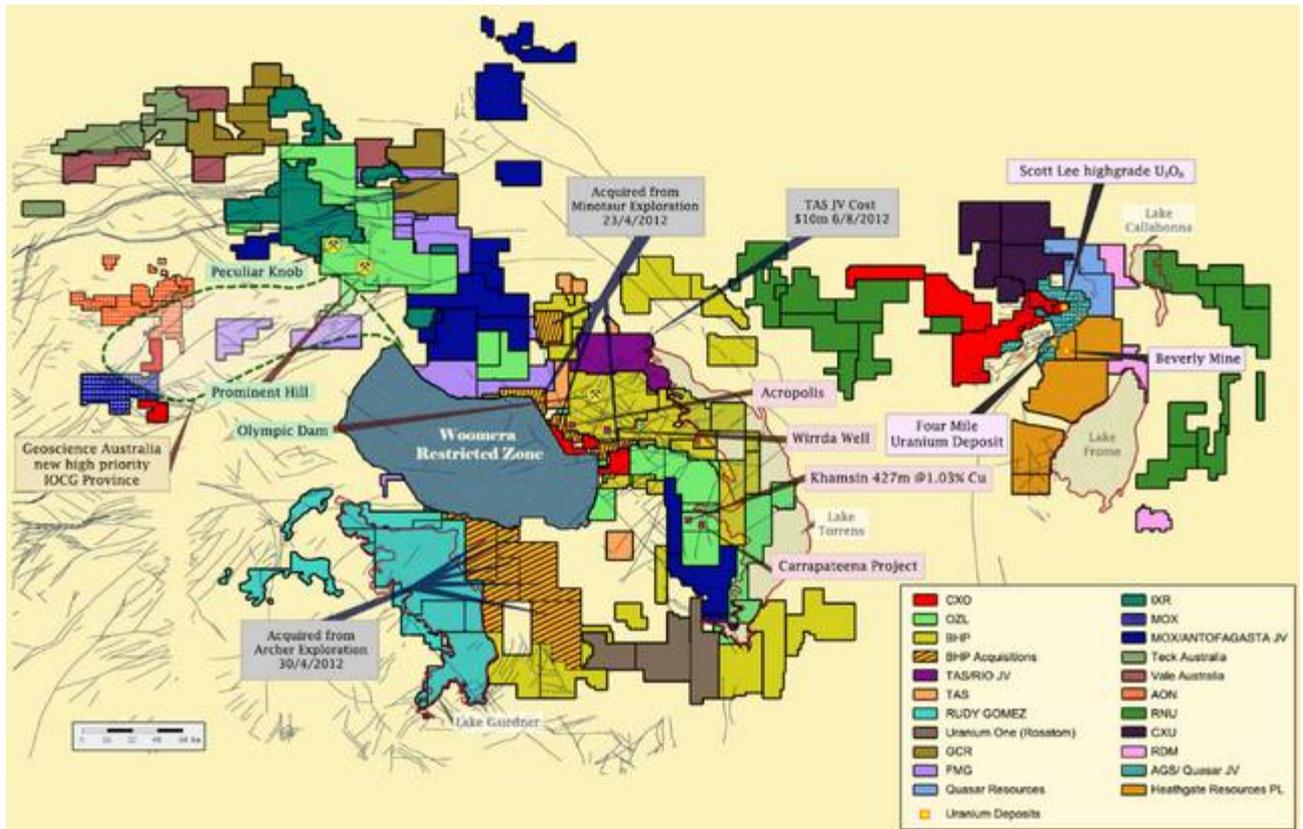
Figure 5: CXO's Alberta Project tenement map including targets and surrounding tenements



Core Exploration - Other Assets

In addition to Alberta, Core has a portfolio of other copper and uranium projects in South Australia which have the potential to add significantly to the market capitalization of the company.

Figure 6: CXO's South Australian tenement map including recent acquisitions and JV's

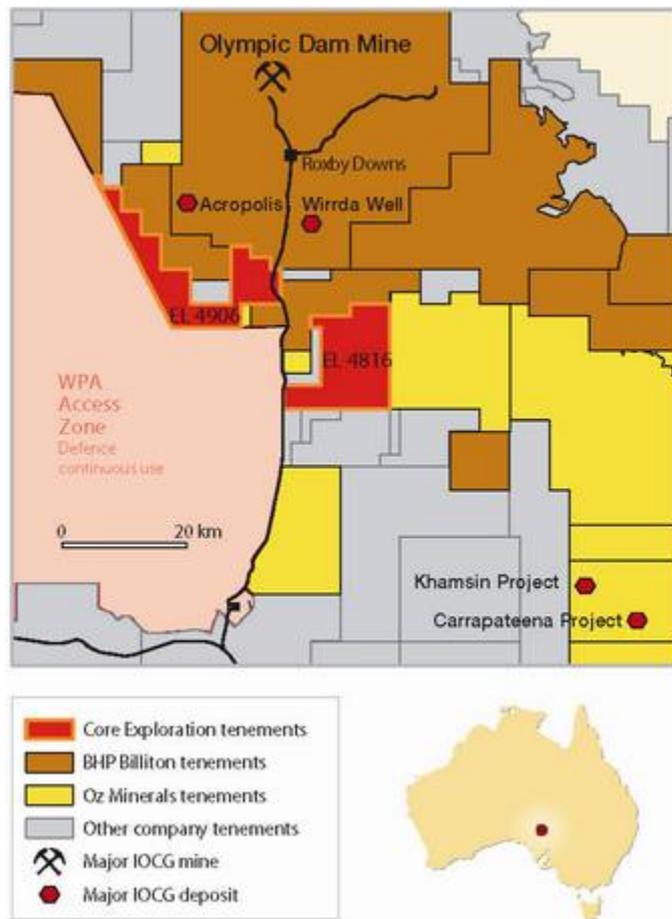


Roxby Downs Project

Core’s Roxby Downs project comprises two tenements in the Olympic Dam domain located approximately 10 kilometres from the major discovery at Wirrda Well and 40 kilometres from BHP’s Olympic Dam mine and Oz Minerals Khamsin discovery.

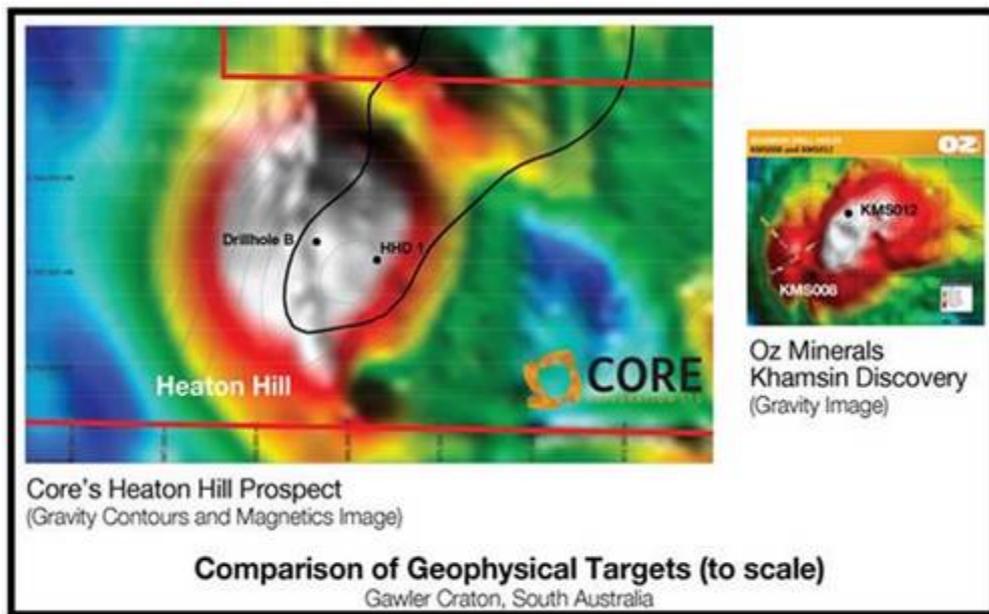
The map in Figure 7 below shows the location of the company’s Roxby Downs project relative to BHP’s Olympic Dan mine as well as other major discoveries.

Figure 7: CXO’s Roxby Downs Project tenement map including surrounding tenements, mines and deposits



Geophysical modelling and review of new and previous surveys, including the \$2m Woomera gravity survey conducted by DMITRE and Geoscience Australia, has identified high priority drill targets CXO considers are yet to be adequately defined and drill tested near Olympic Dam in South Australia. Figure 8 below shows the Heaton Hill high priority gravity target compared to Oz Minerals Khamsin discovery.

Figure 8: Heaton Hill gravity target at Roxby Downs compared to gravity image at Khamsin discovery



This highly prospective and sought-after Tier 1 IOCG ground has attracted interest from a number of Australian and International parties. Core has advised the market that it will provide updates to the market as discussions progress.

Fitton Uranium

Although the uranium price continues to languish, Cores high grade Fitton project presents exposure to any improvement in prices and sentiment towards the sector. The project is 100% owned with uranium mineralisation outcropping at surface and open at depth. Previous drilling by Core has intersected high grade Uranium over significant widths including 14m @ 1,047ppm U_3O_8 from 43m, 60m @ 482 U_3O_8 from 53m, and 31m @ 452ppm U_3O_8 from 126m.

Yerelina Lead / Zinc Project

The 100% owned Yerelina Project in South Australia is prospective for silver, lead zinc mineralisation. A high grade mineralised breccia has been mapped over 1.5km with rock chip samples assaying up to 567g/t silver and 15.11% lead and zinc. The project covers 1000 km² with multiple large scale targets.

Conclusion

Core Explorations Limited's portfolio of projects covering a range of commodities provides shareholders with multiple chances of exploration success. Having recently completed a \$1.25m capital raising, the company is well placed to advance several of these projects. This should generate increased interest from prospective investors.

With the drilling program at Albarta scheduled to commence this week, Core Exploration is about to enter an exciting phase. If the program at Bluey's or Inkheart delivers significant results, there could be considerable upside for shareholders, especially given the company's current market capitalisation is only \$5.4m.

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