



ASX ANNOUNCEMENT

ASX: CXO

24 April 2018

Junior Minerals Exploration Incentive

HIGHLIGHTS

- **Core has been successful in its application for participation in the Federal Government's Junior Minerals Exploration Incentive ("JMEI") scheme**
- **JMEI credits will be distributed to shareholders as tax credits for the 2017/18 tax year**
- **To be eligible, shareholders must have participated in Core's fundraising activity after the issue of JMEI credits on Monday, 23 April 2018**
- **Only new shares issued by Core are eligible for JMEI credits**
- **Successful SPP participants will be eligible for JMEI credits**
- **Recent share placement participants are eligible for JMEI credits**

Core Exploration Ltd (ASX: CXO) ("Core" or the "Company") is pleased to announce that it has been advised by the Australian Taxation Office ("ATO") that its application to participate in the JMEI scheme has been accepted and the Company has received an allocation of up to \$750,000, which can be distributed to eligible shareholders.

In March 2018, the Federal Parliament passed legislation introducing the JMEI scheme with effect from 1 July 2017 for a four-year period based on an annual application process. The ATO is the administrator of the scheme.

The JMEI scheme enables eligible exploration companies to create refundable tax credits to distribute to eligible shareholders by forgoing a portion of their carried forward tax losses that have arisen from allowable expenditure on "greenfield" exploration.

Australian resident shareholders that are issued with JMEI credits will generally be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies). Receiving a JMEI credit could have tax consequences and



shareholders who are issued JMEI credits by the Company should obtain independent tax advice specific to their personal circumstances.

The Company's allocation of JMEI credits must be distributed to all eligible shareholders on a pro-rata basis. For shareholders to be eligible to receive a pro-rata distribution of JMEI credits from the Company, they must have applied for and be issued shares in the Company after Monday 23 April 2018 ("Record date") and no later than 30 June 2018.

The Company has recently announced a share placement to issue approximately 95.2 million shares as well as an SPP to raise \$2.0 million. Both the successful applicants under the placement and SPP will be eligible to receive a share of the Company's JMEI credit allocation. Core anticipates the Company will make a JMEI distribution of between approximately 0.5 cents and 0.8 cents per share depending on the participation in the SPP. The precise distribution per share will be determined after 30 June 2018 and will be impacted by the amount raised under the SPP and any other new shares issued prior to 30 June 2018.

The JMEI credits will apply to the 2017/18 tax year and can be issued by Core after lodgement of its 30 June 2018 tax return.

The Record Date to determine eligibility for JMEI credits is Monday 23 April 2018 and only those shareholders to whom shares were issued after this date and before 30 June 2018 will be eligible to receive a distribution of the JMEI credits allocated to the Company.

Shares issued prior to the Record Date will not be eligible for the credit.

Eligible shareholders are expected to be notified by the Company of their JMEI credit entitlement in the approved form by 30 September 2018, and the JMEI credits will apply to income tax assessed for the year ended 30 June 2018.

For further information please contact:

Stephen Biggins
Managing Director
Core Exploration Ltd
08 7324 2987
info@coreexploration.com.au