



ASX ANNOUNCEMENT

ASX : CXO

21 February 2014

Core funded to drill Blueys and Inkheart high-grade silver targets, NT

HIGHLIGHTS

- **\$750,000 raised from Sophisticated Investors**
- **Up to a further \$750,000 to be raised by a Share Purchase Plan for Shareholders**
- **Drilling of high grade silver targets at Blueys and Inkheart in the NT to commence in April 2014.**

Core Exploration Limited (ASX:CXO) is pleased to announce:

- It has received firm commitments from professional and sophisticated investors for 15,000,000 new shares at an issue price of 5 cents per share to raise \$750,000 (before costs) (**Placement**).
- A Share Purchase Plan of up to \$750,000 to be offered to all eligible shareholders at 5 cents per share (**SPP**). The SPP is partially underwritten to an amount of \$500,000.

The Placement and SPP together will raise up to \$1.5 million (before costs) and are both priced at \$0.05 per share which represents a discount of 14% to Core's last closing price on ASX and a 10% discount to Core's 15 day volume weighted price on ASX.

Purpose of the capital raising

The funds raised from the Placement and SPP will be used to:

- Expedite drilling approvals process for Blueys.
- Undertake an RC drilling program of targets at depth where extremely anomalous silver in soils and high-grade silver at surface have been identified at the Blueys and Inkheart Prospects, NT.
- Develop Phase-2 copper drill targets beneath the multiple high-grade copper occurrences at surface at the Copper Royals and Virginia Prospects, NT
- Provide the Company with working capital to enable it to support its current operations.

Core's recent exploration has identified highly prospective drill targets at both the Blueys and Inkheart Prospects. Core believes that these new drill targets in combination with extremely anomalous silver in soil and high-grade rock chip results at surface are a very strong indicator of significant mineralisation at depth.

Given the outstanding exploration results received to date, Core has also recently secured 100% ownership of the Albarta joint venture tenements prior to initiating our maiden drilling program. This gives Core shareholders the maximum exposure to the upside as we undertake our maiden drilling program.

Details of the Placement

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.

Details of the SPP

The SPP is only available to Australian and New Zealand shareholders who were registered as Core shareholders at 7:00pm (AEDT) on 20 February 2014 (**Eligible Shareholders**).

The SPP entitles Eligible Shareholders to purchase up to \$15,000 worth of new ordinary shares in the Company at an issue price of \$0.05 each and free of all brokerage and commissions. Participation in the SPP is entirely voluntary.

The SPP is targeting \$750,000 and is partially underwritten to the amount of \$500,000. The SPP is currently scheduled to close on March 25 however Core reserves the right to close the plan at any time dependent on demand for shares.

Any issue of the underwritten shares to the underwriter will require the consent of Core shareholders. The Company plans to hold an extraordinary general meeting near the end of March 2014 to seek shareholder approval to issue up to 10 million shares, at an issue price of \$0.05 per share, to the underwriter.

Full details of the SPP Offer will be contained in a booklet which is anticipated to be dispatched to Eligible Shareholders on 28 February 2014.



Key dates

The proposed timetable for the Placement and SPP is detailed below however, the Directors reserve the right to vary the dates and times without notice.

Record Date for SPP (7:00pm AEST)	Thursday 20 February 2014
Announcement Date of Placement and SPP	Friday 21 February 2014
Date that shares are issued to investors under the Placement	Wednesday, 26 February 2014
Placement shares trading date	Wednesday, 26 February 2014
Opening Date SPP	Friday 28 February 2014
Closing Date of SPP (7.00pm AEST)	Tuesday 25 March 2014
Issue of Shares under the Plan	Monday 31 March 2014
Dispatch of holding Statements	Wednesday 2 April 2014

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 15,000,000 fully paid ordinary shares at 5 cents per share of which 8,180,074 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 81,800,740.
- Number of fully paid ordinary shares on issue following this issue of securities under LR 7.1A will be 89,980,814.
- Percentage of voting dilution following the issue is 10%.

- (b) The Company will issue shares as a placement to sophisticated, professional and institutional investors in conjunction with an SPP as advised in this announcement.

- (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
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.