



ASX ANNOUNCEMENT

ASX : CXO

17th August 2012

Copper found in outcrop of new magnetic targets, Fitton Project S.A.

HIGHLIGHTS

- **Copper mineralisation found in outcrop of new magnetic targets found at Fitton project in South Australia**
- **Previous sampling of outcrop at the nearby Scott Lee prospect have significant levels of copper and uranium**
- **Assays of current sampling are expected by the end of August**
- **First Fitton project drilling program planned for late in 2012**

Core Exploration Ltd (ASX:CXO) is pleased to announce that copper mineralisation has been found in surface outcrop near the new magnetic targets identified within the Company's 100% owned Fitton Project (EL 4569), located 25km north of the Beverley uranium mine in northern South Australia.

The current phase of mapping and surface sampling at Fitton was conducted to check for any expressions of copper-uranium mineralisation at the new magnetic anomalies recently identified south of the promising Scott Lee Prospect.

Malachite (copper mineral) was revealed within quartz/hematite rocks along zones of sheared magnetic granite located approximately 400m southwest of Scott Lee (Figure 1). The copper bearing samples are associated with shear zones that are magnetic at local scale (Figures 2 & 3).

Copper minerals were also identified in outcrop associated with a new gold target (0.91 g/t gold sampled in outcrop) located 2km south west of Scott Lee. Quartz veining was mapped along a 1.3km south-east strike from the gold target (Figure 2).

Previous surface sampling by Core at the Scott Lee Prospect has shown significant levels of copper and uranium. A number of samples contained highly anomalous uranium above 100ppm for a strike length of over 800m and a number of samples from the same shear zone graded above 1% copper over a strike length of 150m (Figures 2 & 3).



Next Steps

Assays from this recent sampling and mapping program are expected by the end of August.

Follow-up mapping and sampling program are planned to commence in coming weeks.

Following the positive results of finding new outcropping copper mineralisation associated with ground magnetic anomalies, Core is infilling magnetics at the Scott Lee Prospect on 25m line spacing.

Core's first drill program on Fitton is planned to commence later in 2012, subject to necessary approvals.



Figure 1. Copper bearing outcrop sample at one of the new magnetic anomalies, Fitton Project, S.A.

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The information in this report has been compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd and 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. As a Competent Person, he has a minimum of 5 years relevant experience in the style of mineralisation and types of activities being reported and has given written consent to the above report in the form and context in which it appears.

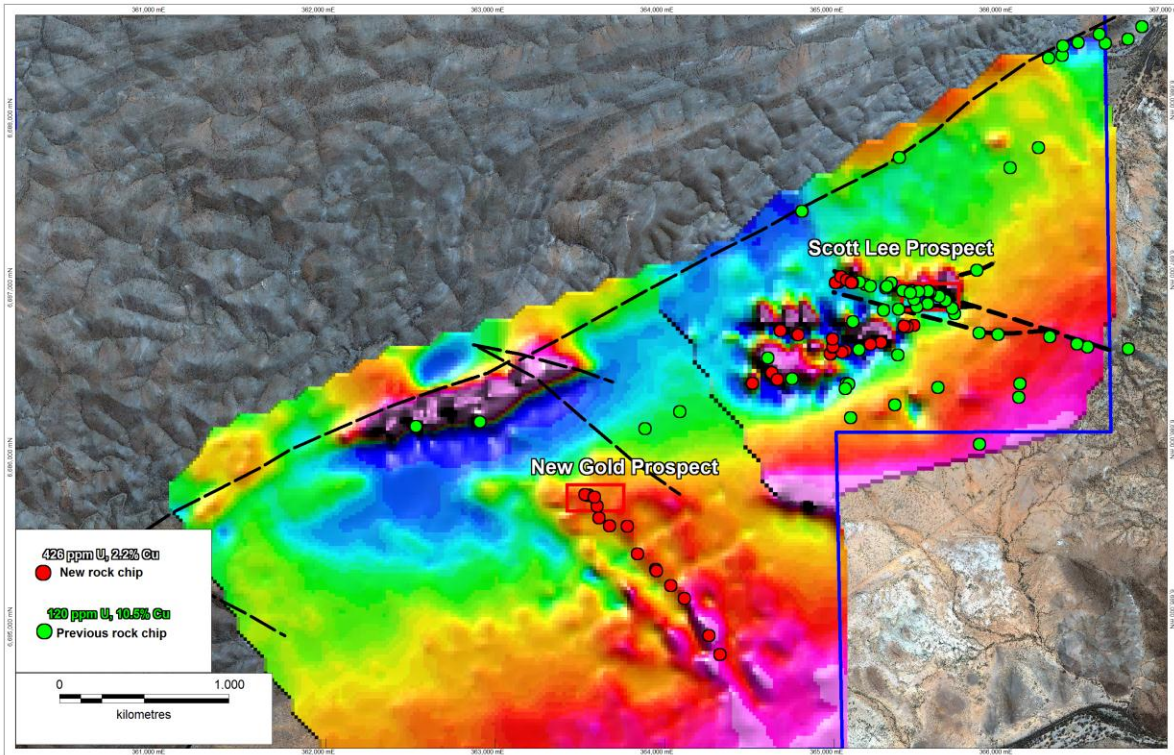


Figure 2. Sampling locations and ground magnetic image highlighting new targets south of the Scott Lee Prospect and also a larger anomaly 2km to the south west, Fitton Project, S.A.

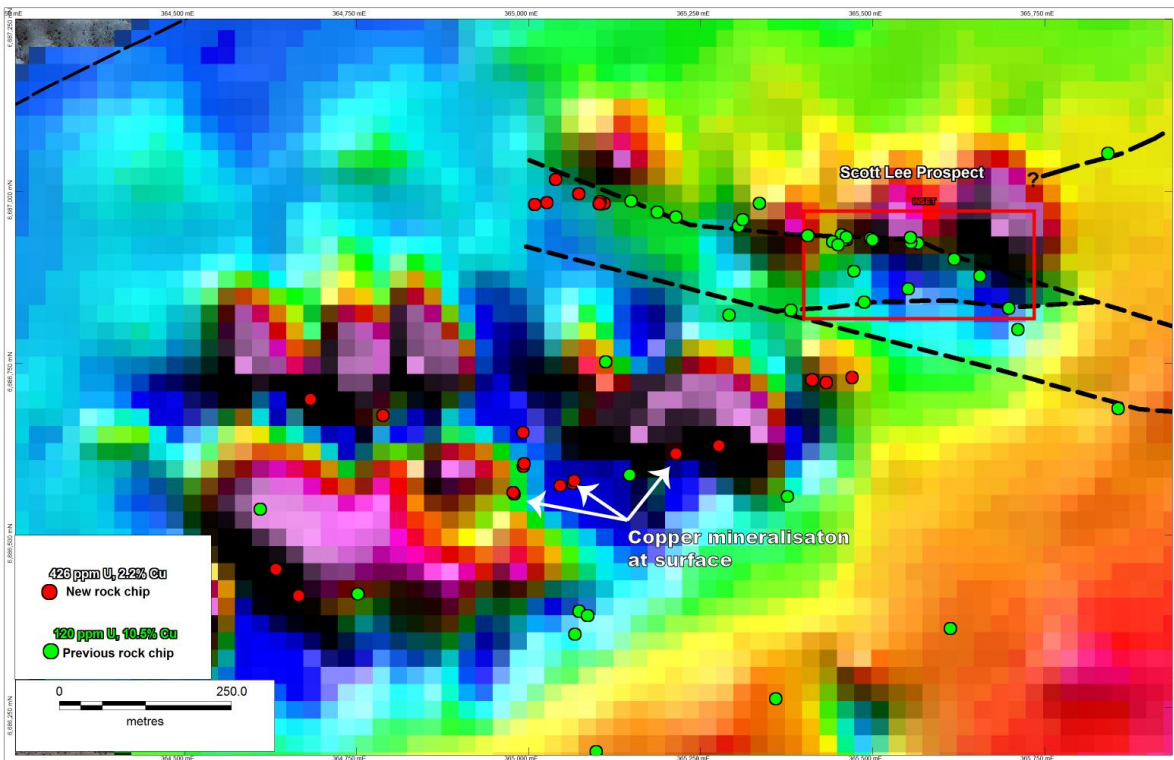


Figure 3: Sampling locations and ground magnetic image of Scott Lee Prospect, and to the south, two new target zones with copper mineralisation seen at surface, Fitton Project, S.A.

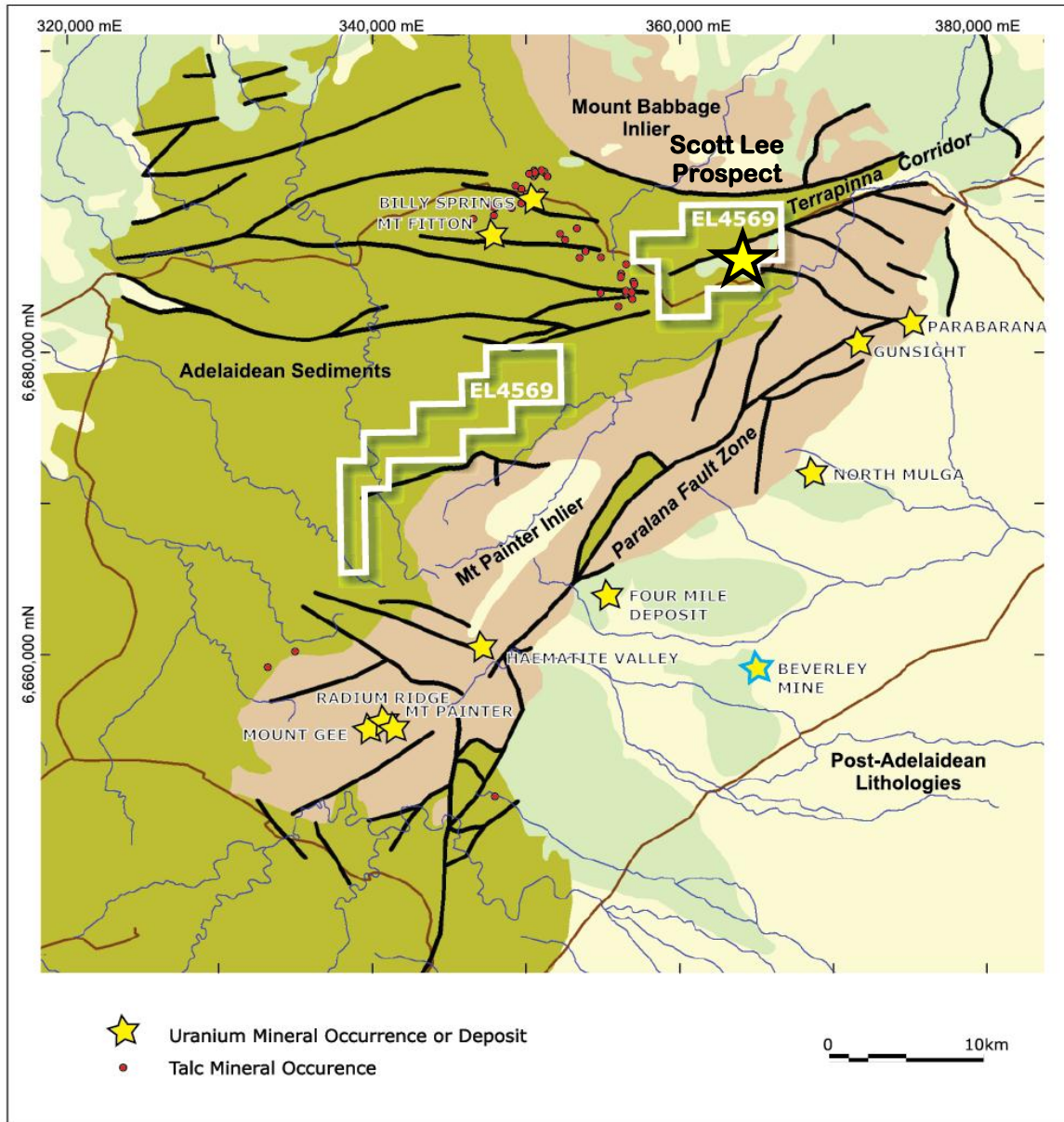


Figure 4. Location of Scott Lee Prospect and Fitton Project (EL 4569) and uranium occurrences and mines in the region, northern South Australia.