Chairman's Letter

28 February 2014

Dear Shareholder

Core Exploration Limited Share Purchase Plan

On behalf of the Board of Core Exploration Limited (ACN 146 287 809) (**Company**), I am pleased to offer you the opportunity to purchase fully paid ordinary shares in the Company (**Shares**) under a Share Purchase Plan (**SPP** or **Plan**).

As announced on 21 February 2014, in addition to the recent successful placement to raise $750,000 at 5c per share to professional and sophisticated investors, the Company is offering Shareholders in Australia and New Zealand as at the Record Date of 7.00pm (AEST) on 20 February 2014 (**Record Date**) (**Eligible Shareholders**) the opportunity to subscribe under the Plan for up to $15,000 worth of Shares at 5c per Share.

The SPP is targeting $750,000 (subject to the maximum permitted under the ASX Listing Rules) and is partially underwritten by Pulse Markets Pty Ltd (**Underwriter**) to the value of $500,000.

Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed.

The SPP is priced at 5c per Share, which is a 16% discount to the average closing price of Shares over the last 5 days on which sales in the Shares are recorded on the financial market operated by ASX Limited (**ASX**) prior to the date of the announcement (**Offer**) and is free of brokerage and commission.

Application for the Shares under the SPP will be made on a personalised Application Form that will be attached to the SPP documents sent to shareholders.

Use of Funds

The funds raised from the SPP (and any Shortfall that is placed) will be used as follows:

(a) Expedite drilling approvals process for Blueys;

(b) 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;

(c) Develop Phase-2 copper drill targets beneath the multiple high-grade copper occurrences at surface at the Copper Royals and Virginia Prospects, NT; and

(d) Provide the Company with working capital to enable it to support its current operations.

Details of the Company's current activities are set out in the announcements made by the Company to the ASX and are available from the ASX or Company's website (www.coreexploration.com.au).

Details of the Plan are set out in the enclosed SPP Terms and Conditions. The Board urges you to read these Terms and Conditions carefully and in their entirety before deciding whether to participate in the Plan. If you are uncertain whether Shares are a suitable investment for you, you should consult your financial or other professional adviser.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company.

Yours faithfully

Greg English
Chairman
CORE EXPLORATION LIMITED

CORE EXPLORATION LIMITED
ACN 146 287 809
SHAREHOLDER SHARE PURCHASE PLAN - TERMS AND CONDITIONS

This document sets out the Terms and Conditions of the Core Exploration Limited Share Purchase Plan and is binding on any Eligible Shareholder completing and lodging an Application Form or making payment by BPay®

Purpose

The Share Purchase Plan (**SPP** or **Plan**) offers Eligible Shareholders of Core Exploration Limited (**Company**) the opportunity to apply for fully paid ordinary shares in the Company (**Shares**), up to a maximum of $15,000 (when combined with any shares issued under any share purchase plan in the 12 months preceding the date of the Plan).

Shares under the Plan will be issued at $0.05 each which is the same price as the recent share placement to sophisticated and professional investors and is equal to 84% of the average market price of Shares (as defined in the Listing Rules) over the last 5 days on which sales in the Shares were recorded on the ASX prior to the date of announcement of the Plan.

The SPP allows Eligible Shareholders to increase their investment in the Company without the need to pay brokerage costs.

Offer

An offer may, at the discretion of the directors of the Company (**Directors**), be made under the Plan once a year. The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is $15,000. The Directors of the Company may also determine in their discretion the minimum amount for participation, the multiple of Shares to be offered under the Plan and the period the offer is available to Eligible Shareholders.

Shareholders eligible to participate in the Plan

Holders of Shares that are registered with an address in Australia or New Zealand at the relevant Record Date are eligible shareholders (**Eligible Shareholders**) and may participate in the Plan.

If you hold Shares on behalf of persons who reside outside Australia or New Zealand, or are in the United States, you are not an Eligible Shareholder and are not entitled to participate in the Plan.

Details of how custodians, trustees and beneficiaries are treated under the Plan are provided further below.

Participation in the Plan is optional and is subject to these terms and conditions (**Terms and Conditions**). Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any Shares offered under the Plan).

Foreign offer restrictions

The Plan may not be released or distributed in any country other than Australia or New Zealand. The Plan does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

New Zealand

The Shares offered under the Plan are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under

New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

How much can you invest?

The minimum application under the SPP is $1,000. Under ASIC Class Order 09/425, Eligible Shareholders may only acquire a maximum of $15,000 worth of Shares under a share purchase plan in any 12 months period. This limitation applies even if you receive more than one Application Form, or if you hold Shares in more than one capacity.

Subject to the above, Eligible Shareholders may participate by selecting one of the following offers to purchase Shares under the Plan.

Subscription amount	Number of Shares to be allotted at issue price of $0.05 per Share
$1,000	20,000
$3,000	60,000
$5,000	100,000
$10,000	200,000
$15,000	300,000

Note: Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed. The Directors also reserve the right to scale back the amount of Shares to be allotted. Accordingly the actual amount of Shares you receive under the Offer may vary from the above table in the event of oversubscription (excess money will be returned without interest).

The maximum investment any Eligible Shareholder may apply for will remain $15,000 even if a Shareholder receives more than one Offer (whether in respect of a joint holding or because the Shareholder has more than one holding under a separate account).

If you apply for Shares under the Plan, you are applying for a certain value of Shares at the issue price, rather than a certain number of Shares. Fractional Shares will not be issued and any fraction of a Share will be rounded up to the nearest whole number of Shares.

You should be aware that although the offer price of $0.05 per new Share is at a discount to the market price of Company Shares on ASX as at the date of this document, shares are a speculative investment and there is a risk that the price of Shares on ASX may change between the date of this document and the date of issue of the new Shares under the SPP.

Indicative Timetable*

Record Date (7:00pm AEST)	20 February 2014
Announcement Date of Plan	21 February 2014
Opening Date of Plan	28 February 2014
Closing Date of Plan (7.00pm AEST)	25 March 2014
Issue of Shares under the Plan	31 March 2014
Dispatch of holding Statements	2 April 2014

* These dates are indicative only. The Company may vary the dates and times of the Offer by lodging a revised notice with ASX. Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed.

How do you apply?

If you would like to participate in the Offer, the following application and payment options are available:

(a) Application Form and Accompanying Cheque

Eligible Shareholders wishing to pay by cheque must follow the instructions on the Application Form and complete the Application Form, provide a cheque that is payable to "**Core Exploration Limited"** and crossed **"Not Negotiable"** and return the completed Application Form and cheque to:

Core Exploration Limited
C/- Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS, WA 6953

to be received by the share registry no later than 5.00pm (WST) on the Closing Date (**Closing Date**) under the Offer.

(b) Payment by BPay®[1]

Eligible Shareholders wishing to pay by BPay® must use the specific biller code and customer reference numbers detailed on their personalised Application Form. Any Eligible Shareholder that chooses to pay by BPay® is deemed to represent to the Company that the amount of Shares subscribed for pursuant to the Plan, or any other arrangement similar to the Plan in the prior 12 months, does not exceed $15,000 (including joint or any other beneficial interests).

If you choose to pay via BPay® you are not required to submit your Application Form. Your payment will not be accepted after 5:00pm (WST) on the Closing Date and no Shares will be issued to you in respect of that application. If you have multiple holdings you will have multiple BPay® customer reference numbers. To ensure you receive your Shares under the Offer in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any Shares that you wish to apply for in respect of that holding. If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPay®. It is your responsibility to check that the amount you wish to pay via BPay® does not exceed your limit.

Once an application under the Plan has been made or your BPay® payment made, it cannot be revoked.

Raising Amount and Scaleback

The Plan is targeting a capital raise of $750,000, however the Company reserves absolute discretion regarding the final amount raised under the Plan (subject to the maximum permitted under the ASX Listing Rules) and if necessary the Directors may, in their absolute discretion, scale-back applications. Scale back for Shares held by a Custodian will be applied at the level of the underlying Beneficiaries. Shareholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP early if oversubscribed.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

[1] ® Registered to BPAY Pty Ltd, ABN 69 079 137 518

Issue and Quotation of Shares

Shares to be issued under the Plan will be issued as soon as reasonably practicable after the Closing Date specified by the Directors in the Offer.

Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHESS notification will be issued in respect of all Shares issued under the Plan.

The Company will, promptly after the issue of Shares under the Plan, make application for those Shares to be listed for quotation on the official list of ASX.

Underwriting

The Offer is partially underwritten to the value of $500,000. In the event that Eligible Shareholders do not subscribe for at least $500,000 of Shares under the Plan then the underwriter will apply for any Shares up to a maximum value of $500,000. The underwriting agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter. The Underwriter is entitled to an underwriting fee of 6% on the Underwritten amount. The placement of Underwriting shares is subject to capacity under the Company's 15% placement capacity. The Company will seek shareholder approval of the issue of shares to Underwriters and at a General Meeting to be held on 4 April 2014.

Placement of Shortfall

The Board is seeking approval at a General Meeting to be held on 4 April 2014 to place an amount up to $500,000 inclusive of any Shares placed with the Underwriter and may be placed with professional and sophisticated investors at the discretion of the Directors.

Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Class Order 09/425 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of new Shares for each beneficiary for whom you act as custodian provided you annexe to your Plan application form (**Application Form**) a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held Shares in the Company on behalf of one or more other persons who are resident in Australia or New Zealand (each a **Participating Beneficiary**) at 7:00pm (AEST) on 20 February 2014 who have subsequently instructed you to apply for Shares under the Plan on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed $15,000;
- that a copy of the written offer document was given to each beneficiary; and
- where you hold shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order 09/425 you are a 'custodian' if you are a registered holder that:

- holds an Australian financial services licence that allows you to perform custodian or depositary services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the *Corporations Regulations 2001*;
- is a trustee of a self-managed superannuation fund;

- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact Security Transfer Registrars Pty Ltd on 08 9315 2333 (within Australia) from 8.30am to 5.00pm (AEST) Monday to Friday during the Offer period.

The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

Modification and Termination of the Plan

The Company may modify or terminate the Plan, or waive strict compliance with any of the Terms and Conditions, at any time and any modification, waiver or termination is binding on all Eligible Shareholders even where the Company does not notify you of that event. In the event the Plan is terminated before the issue of Shares, all application monies will be returned to you, without interest, by direct credit to your nominated account as recorded on the Company's share register or cheque to your address as shown on the Company's share register as soon as practicable.

Without limiting the above, the Company may issue to any person fewer Shares than the person applied for under the Plan if the issue of the Shares applied for would contravene any applicable law or the Listing Rules of ASX or ASIC Class Order 09/425.

Application Form

The Application Form forms part of the Terms and Conditions for the purposes of the Plan and the Offer.

Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers of the Company under these conditions may be exercised by the Directors or any delegate of the Directors.

Governing Law

The Terms and Conditions and the Offer under the Plan are governed by the laws of South Australia.

Disclaimer

Before you apply for Shares under the Plan, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the Plan (taking into account your own financial situation, needs and objectives). The Company and its officers make no recommendation about whether or not you should apply for Shares under the Plan and nothing in these Terms and Conditions (including the Application Form) or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the Plan.

Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser, or Mr Jarek Kopias, Company Secretary on +61 8 7324 2987.

Glossary

Application Form means the application form that accompanies this Share Purchase Plan.
ASIC means the Australian Securities and Investments Commission.
ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange.
Board means the Board of Directors of Core Exploration Limited.
Closing Date means 7.00pm (AEST) on 25 March 2014.
Company means Core Exploration Limited ACN 146 287 809.
Corporations Regulations means the Corporations Regulations 2001 (Cth).
Custodian means a custodian, trustee or, nominee with the definition of 'custodian' in ASIC Class Order [CO 09/425], that:

- holds an Australian financial services licence that allows you to perform custodian or depositary services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the *Corporations Regulations 2001*;
- is a trustee of a self-managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

Custodian Certificate means the certificate outlined in the Terms and Conditions of the Plan.
Directors means the directors of the Company.
Eligible Shareholders means Shareholders with an address in Australia or New Zealand as at the Record Date.
General Meeting means a meeting of shareholders of the Company to be held on 4 April 2014.
Listing Rules means the Listing Rules of the ASX.
Offer means the SPP priced at 5c per Share.
Participating Beneficiary means a shareholder named in the Custodian Certificate as holding Shares in the Company on behalf of one or more other persons who are resident in Australia or New Zealand at the Record Date.
Record Date means 7:00pm (AEST) on 20 February 2014.
Shares means the fully paid ordinary shares in the Company offered under the SPP.
SPP or **Plan** means the Share Purchase Plan offered by the Company to Eligible Shareholders.
Terms and Conditions means the terms and conditions contained in the SPP.
Underwriter means Pulse Markets Pty Ltd.

SHARE PURCHASE PLAN APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

CORE EXPLORATION LIMITED

ACN: 146 287 809

REGISTERED OFFICE:
LEVEL 2
143 HUTT STREET
ADELAIDE SA 5000
AUSTRALIA

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code: CXO

Holder Number:

Record Date: 20 FEBRUARY 2014

NON-RENOUNCEABLE SHARE OFFER CLOSING AT 7.00PM AEST ON 25 MARCH 2014

(1) I/We, the above mentioned, wish to apply for the number of Fully Paid Ordinary Shares which will be issued in accordance with the Share Purchase Plan (SPP) and the Constitution of the Company as stated below: ***(please mark "X" to indicate one choice only)***

		TOTAL SUBSCRIPTION AMOUNT @ $0.05 PER SHARE	NUMBER OF SHARES
OFFER A - maximum amount	☐	$15,000.00	300,000
OFFER B	☐	$10,000.00	200,000
OFFER C	☐	$5,000.00	100,000
OFFER D	☐	$3,000.00	60,000
OFFER E	☐	$1,000.00	20,000

(2) I/We have enclosed/made payment for the amount shown above (following the payment instructions as detailed overleaf).
(3) I/We hereby authorise you to place my/our name(s) on the register of members in respect of the New Securities allotted to me/us.
(4) I/We agree to be bound by the Constitution of the Company and the terms of the SPP.
(5) I/We hereby agree to accept any lesser number of new Shares applied for.
(6) I/We hereby certify that the amount of Shares subscribed for by me/us pursuant to the SPP (being a maximum of $15,000 worth of Shares) does not exceed $15,000 taking into account the Shares the subject of this application and any other Shares applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including other beneficial interests. **Limit on Participation and Custodian Certification- see overleaf for details.**
(7) My/Our contact details in case of enquiries are:

NAME

TELEPHONE NUMBER ( )

EMAIL ADDRESS

@

BPAY PAYMENT OR THE RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.

BPAY

Biller Code: 159483

Ref:

BPAY® this payment via internet or phone banking.
Your **BPAY®** reference number is unique to this offer and is not to be used for any other offer.

CHEQUE/MONEY ORDER

All cheques (expressed in Australian currency) are to be made payable to **CORE EXPLORATION LIMITED** and crossed "Not Negotiable".

REGISTRY DATE STAMP

E & O.E.

LODGEMENT INSTRUCTIONS

PAYMENT INSTRUCTIONS

Biller Code: 159483

BPAY® this payment via internet or phone banking.
Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

You do not need to return this form if you have made payment via BPAY.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

CHEQUE/MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, APPLECROSS WA 6953.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 7.00pm AEST on the closing date.

CERTIFICATION

By making payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the SPP;
2. Agree to be bound by the Terms of the Constitution of the Company and the SPP;
3. Agree to accept any lesser number of new Securities than the number of Securities applied for; and
4. (If not a Custodian as defined in ASIC Class Order 09/425) Certify that the amount of Securities subscribed for by me/us pursuant to the SPP does not exceed the maximum amount taking into account the Securities the subject of this application and any other Securities applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including joint and other beneficial interests.

LIMITATION ON PARTICIPATION

The maximum subscription limitation of $15,000 will apply even if an eligible Holder has received more than one form (whether in respect of a joint holding or because the eligible Holder has more than one holding under separate Security accounts).

CUSTODIAN CERTIFICATION

If you are a Custodian (as defined in ASIC Class Order 09/425), you must submit a custodian certificate to CORE EXPLORATION LIMITED. If you did not receive a custodian certificate, contact Security Transfer Registrars Pty Limited. If you need further information to determine whether you are a Custodian, refer to the terms and conditions of the Plan which accompany this Share Purchase Plan Application Form or contact Security Transfer Registrars Pty Limited.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Registrars Pty Ltd

PO Box 535, Applecross WA 6953 AUSTRALIA

770 Canning Highway, Applecross WA 6153 AUSTRALIA

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT
Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them at the address on this form.