

Kincora Secures Funded, Successful and Motivated Partner for Mongolian Assets

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MELBOURNE, Aug 12, 2024 - (ACN Newswire) - Kincora Copper Limited (TSXV: KCC) (ASX: KCC) (Kincora or the Company) is pleased have executed the Agreement that outlines the terms which Woomera, an arms length and unrelated party to Kincora, may earn into the Company's wholly owned Mongolian subsidiaries and thereby obtain exposure to the Company's Bronze Fox copper-gold project, located in the world-class and rapidly emerging Southern Gobi copper belt.

Cameron McRae, Chairman of Kincora, and Sam Spring, President and CEO stated,

"Woomera has a mandate for large scale new discovery opportunities backed by a team and shareholder register with very considerable prior successes. They are a well motivated and funded partner looking get drilling from September with a high impact program.

This transaction realises Kincora's strategic objective to retain upside to our Mongolian assets, focus efforts and capital towards our core NSW projects, and, look to do deals to unlock the value of project portfolio.

We look forward to working with Woomera and realising the very significant upside we mutually see in Bronze Fox that we strongly feel will shortly emerge as the fourth major porphyry district in the rapidly developing Southern Gobi copper belt."

Ralf Kriege, CEO of Woomera, expressed his enthusiasm about the opportunity, saying,

"We are excited to be able to offer our shareholders exposure to these high-quality assets which offer walk-up drill targets with globally significant potential.

The large existing resource inventory, in what we feel is only a very small part and on the margin of one of three near surface and large porphyry systems does however illustrate the substantial scale of the systems and of our opportunity.

Overnight we have transformed Woomera into a key player over one of the most active new exploration and mining frontiers in the world for copper. My recent site visit really emphasised the level of activity taking place in this belt, true district scale of the cluster of porphyry systems at Bronze Fox and scope for the higher grade core of these systems.

We look forward to very shortly getting on the ground to commence activities, leveraging the existing team, permits and infrastructure in place."

Key terms of the Earn-in Agreement

The Agreement follows a strategic review process for Kincora where a range of potential partnering, funding and other asset initiatives were considered with strong interest from a number of counterparties.

The key terms of the Agreement with Woomera are summarised as follows:

- Woomera may earn up to an 80% equity interest in the asset holding subsidiaries by funding US\$4 million

in expenditure within five years of the date of the Agreement. This includes a minimum expenditure of US\$0.5 million in the each of the first two years of the earn-in period.

- Upon earning and exercising the right for the 80% interest Woomera can elect to:

i. purchase the remaining 20% equity interest in the subsidiaries from Kincora for a purchase price of US\$10 million and a 1.0% net smelter royalty (NSR); or,
ii. enter into a shareholders' agreement where Woomera free-carries Kincora until the point of a Final Investment Decision (FID) for project development (minimum threshold of a JORC 2012 compliant reserve of 1Moz gold equivalent).

- Woomera completing a capital raising, commitments for which have already been received with respect to a A\$1.7 million placement with a further Share Purchase Plan also proposed.

- Both parties entering into a formal agreement to reflect the terms of Woomera's operations of the Bronze Fox project and is conditional upon the parties obtaining shareholder and regulatory approvals.

- Woomera has agreed to cover the holding costs and spend a minimum of US\$500,000, including satisfying the minimum statutory field related commitments and drilling for the project between the date of its shareholder approval and December 31st, 2024.

- If Woomera withdraws from the earn-in prior to earning an 80% interest it must forfeited any equity interest it has obtained in the asset holding entities to Kincora.

Cerberus Advisory and QR Lawyers advised on behalf of Kincora with respect to the external strategic review process and Agreement.

About the Mongolian Portfolio

The Agreement for the Mongolian assets with Woomera comes at a time of recent significant investment in the Mongolian critical minerals sector, including the Oyu Tolgoi copper-gold porphyry project being on track to become the world's fourth largest copper mine by 2030.

In the last 24 months, BHP, Rio Tinto and Zijin Mining have made investments, increasing or initiating Mongolian exposure.

CRU estimates that copper production from Mongolia will increase to ~800,000t by 2028 from ~300,000 in 2023, a very significant increase the equivalent of ~2% of current copper production, very noteworthy in an industry currently struggling to maintain existing supply levels and before the major projects in-country reach designed steady state production (CRU Copper Market Outlook - December 2023).

Xanadu Mines is in the midst of a Pre-Feasibility Study for its flagship Kharmagtai copper-gold project, having recently completed one of the largest recent porphyry exploration drilling programs in the world with ~54,000m of drilling. Doriemus Plc has recently completed a A\$6 million raising at a pre-money A\$23 million valuation to support the reserve take over of Asian Battery Minerals Limited who recently made a small intrusion related magmatic nickel-copper-PGE discovery at the Oval project with the support from BHP's Xplor program.

In addition to ongoing production from the open pit and ramping up of the underground at Oyu Tolgoi, construction activities are ongoing at the large greenfield Tsagaan Suvarga open cut copper-molybdenite project (oxide production scheduled 2025 and sulphide production 2026) and there is rapid advancement of the Kharmagtai copper-gold project since Zijin Mining's strategic investment and partnership (financial investment decision planned for 2024 and targeted production in 2027).

Following Kincora's focus having pivoted to NSW in 2019/2020, the Company's recent activities have capital efficiently advanced the wholly owned Mongolian portfolio including securing an initial mining license, announcing a maiden JORC resource and updated exploration target, making a new (third) intrusive complex discovery (the Shuteen North Intrusive Complex), and, revisiting the geological setting and targeting model for the Bronze Fox Intrusive Complex.

The Bronze Fox project hosts one of the largest series of porphyry complexes, largest land positions and most advance stages of porphyry exploration outside of the existing development projects in the Southern Gobi copper belt. Recent capital constrained exploration at the project has yielded a number of new large scale drill targets and new geological concepts.

Kincora's existing team, infrastructure, permits and proprietary project generation knowledge supports

Woomera's ability to immediately ramp up exploration at Bronze Fox as well have a competitive advantage to secure additional projects.

The portfolio assets included in the Agreement comprise:

- Bronze Fox mining license (the eastern license of the Bronze Fox project),
- Tourmaline Hills exploration license (the western license of the Bronze Fox project),
- Kincora's geological and administrative team (all having international experience),
- White Pearl field camp (year round facility), and,
- one of (if not) the largest project generation databases for Mongolia.

Figure 1: The Southern Gobi is a globally significant source of new copper supply, with the Bronze Fox project the fourth emerging porphyry district in the belt

One of the fastest growing new infrastructure and mining districts anywhere in the world, within trucking distance to the world's largest consumer of copper

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/2305/219591_kincorafig1.jpg

The Bronze Fox Project

Bronze Fox was originally identified by Ivanhoe Mines as a highly rated project and retained with Oyu Tolgoi and Kharmagtai being projects excluded by the Falcon JV with BHP.

The project now hosts three large and underexplored porphyry intrusive complexes, with a large JORC resource and exploration target defined for a small part of the Bronze Fox Intrusive Complex, an extensive gold-copper system identified at the earlier exploration stage Tourmaline Hills Intrusive Complex, and a new third intrusive complex only recently discovered and never drilled, called Shuteen North.

Capital constrained recent exploration by Kincora has refined a target pipeline of up to twelve (12) porphyry copper and seven (7) epithermal gold targets ranging from greenfield to brownfield resource expansion. In addition, there are plans to secure a second mining license, providing mining license coverage and 30 year tenure over the full Bronze Fox project and three currently identified intrusive complexes.

JORC Inferred Resource and Exploration Target

On July 26, 2022, Kincora noted the maiden inferred Mineral Resource Estimate ("MRE") and updated Exploration Target for the West Kasulu prospect reported under the JORC code by Resilience Mining Mongolia Limited (Resilience) (refer to release titled "Mineral Resource and Exploration Target for Bronze Fox" and July 2022 "Resource Estimation for the West Kasulu Porphyry Copper Prospect, Mongolia" report by David Larsen of DF & JG Larsen Consulting Pty Ltd.). It should be noted that the Exploration Target is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

At the time, Resilience sought to acquire 100% of Kincora's Mongolian project portfolio but the transaction failed to complete.

The parameters for the MRE and updated exploration target were inline with Resilience's strategy for a near term, modest scale oxide development project and shallow brownfield drilling at the Bronze Fox Intrusive Complex, coupled with near surface (open pit) greenfield targets at the West Kasulu and Tourmaline Hills prospects.

The West Kasulu prospect is open on strike and at depth, hosted within a small portion of the much larger mineralised Bronze Fox Intrusive Complex (BFIC), which is one of three so far identified near surface and under explored intrusive complexes at the wider Bronze Fox project. The West Kasulu prospect is thought to be a less prospective part of the project, being an eroded level of the porphyry system with higher grades across a key regional fault to the west (which is open) and a multiple of separate intrusive targets at different (more favourable) preservation levels within the larger complex.

The Exploration Target comprises potential mineralisation below the current MRE from approximately 325m below surface to over 1,200m below surface (Figure 2).

The maiden MRE for the West Kasulu copper-gold prospect was defined as:

- 194.1Mt at 0.26% Copper Equivalent (CuEq), at a 0.2% CuEq cut-off and to a depth of approximately 325m below surface (Table 1), utilising the same depth and cut-off criteria as the Kharmagtai project.

This includes an oxidised component of:

- 8.6Mt at 0.26% copper fully oxidised copper to approximately 35m below surface; and,
- 11.1Mt at 0.25% copper partially oxidised copper between approximately 35m and 80m below surface.

Table 1: West Kasulu Inferred Mineral Resource

To view an enhanced version of this graphic, please

visit: https://images.newsfilecorp.com/files/2305/219591_kincorafig2.jpg

Notes:

- Some numerical differences may occur due to rounding
- Copper equivalent, CuEq (%) = Cu (%) + 0.5204*Au (g/t), based on Au at USD\$1400/oz and Cu at USD\$3.4/lb and relative metal recoveries (Cu recovery 90% and Au recovery 78%)
- Oxide material reported above 0.2% Cu cut-off as Au may not be recoverable in the oxide zone
- Unless otherwise stated, all elements included in the metal equivalents calculation have a reasonable potential to be received and sold
- Total resource is reported above 800m RL (approximately 325m below surface) and within a notional pit shell
- BOCO = Base of Complete Oxidation, TOFR = Top of Fresh Rock

The MRE and Exploration Target estimate is based on 74 reverse circulation (RC) and diamond holes drilled from 2005 to 2019. The deposit is open at depth and along strike.

The Exploration Target for West Kasulu has been estimated in accordance with Clause 17 of the JORC Code, of between approximately 100Mt and 300Mt at 0.25% to 0.35% CuEq. The potential quantity and grade are conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The grade and tonnage estimates constituting the Exploration Target were determined using a block model based on historic drilling.

The majority of the MRE and exploration target are situated within the existing Bronze Fox mining licence with the balance being on the adjoining Tourmaline Hills exploration licence (collectively the Bronze Fox project). Plans are currently in place to convert the Tourmaline Hill's exploration license to a mining license, thus secure a minimum 30 year tenure over the full Bronze Fox project and three currently identified intrusive complexes - see Figure 3.

Figure 2: A MRE for the at and near surface portion of West Kasulu, and an Exploration Target for the deeper part of the system, is consistent with the strategy to derive value from the potential early development of the near surface oxide resource and shallow porphyry expansion potential, while seeking partners to fund deeper drilling

Longitudinal section: Block model supporting inferred resource (red) and exploration target (mustard)

[1] The majority of hole F62, which intersected 929m @ 0.37% CuEq (from 343m) including 318m @ 0.53% CuEq (from 515m) with 37m @ 1.01% CuEq (from 573m), did not contribute to the MRE.

To view an enhanced version of this graphic, please

visit: https://images.newsfilecorp.com/files/2305/219591_kincorafig3.jpg

Figure 3: The Bronze Fox project host three known intrusive complexes, with drilling planned to confirm a new downhole discovery at the Shuteen North Intrusive Complex that is thought to be related to the massive Shuteen lithocap

Plans are in place to secure a second mining license on the western license, thus securing 30 year tenure across the full Bronze Fox project

To view an enhanced version of this graphic, please

visit: https://images.newsfilecorp.com/files/2305/219591_kincorafig4.jpg

New Exploration Model

Exploration activities have refined the exploration model for the Bronze Fox Intrusive Complex (BFIC). Prior exploration by Kincora, and Ivanhoe Mines, were based on an "Oyu Tolgoi's style target model, predominately seeking to drill induced polarisation and magnetic anomalies, often associated with outcrop and now viewed as often situated in an eroded (and less prospective) part of the mineralised system. However, reviews of alteration, mineralisation and geophysical signatures supports a Reduced Porphyry

Cu-Au (RPCG) system and target model, with a number of new targets associated with the margin of peak gravity features (similar to that associated with the existing resource), but at areas under cover, interpreted to be within a preserved setting and potential core of the system, offering higher grade potential than defined in the existing resource on the margin of the system.

BFIC is thought to be the first RPCG system identified in Mongolia and noting many similar RPCG systems are now recognized in Asia including some very large mineralised systems (eg Pulang is the largest porphyry Cu-Au deposit in China).

This revised exploration model has the potential to refine existing targets and also identifies new prospects, significantly expanding the search space and noting previous exploration focused on the West Kasulu prospect situated on the outer edges of the ~8 x 4km BFIC.

The core target zone under a RPCG exploration model at BFIC, supported by a large albite alteration zone with coincident magnetic and induced polarisation anomalies, often with peak gravity anomalies, and extensive surface geochemical anomalies. This region has had limited prior drilling.

The view presented is that the metal endowment defined to date on the margin of the system in an eroded setting at West Kasulu potentially highlights scale potential of the targeted high-grade core(s) of a preserved RPCG system at BFIC and is particularly encouraging.

New Shuteen North Target

In 2023, Kincora undertook maiden ground truthing of regionally significant magnetic anomalies and reconnaissance exploration in the southern section of the western Tourmaline Hill's exploration license.

These activities identified significant areas of subcropped and multiple phased mineralised intrusives, thought to be potentially related to the Shuteen lithocap, the largest lithocap in the Southern Gobi, which is situated to the south.

The lithocap at Oyu Tolgoi was a key geological indicator that supported original exploration efforts for the driving porphyry system, with the causative source of Shuteen a highly prospective target given its size.

Recent capital constrained exploration by Kincora has identified four large and shallow porphyry copper, and, one epithermal gold targets at the Shuteen North Intrusive Complex (SNIC). A maiden drilling program seeking to confirm a new down-hole discovery at the SNIC is planned for the current field season.

About Woomera

Woomera Mining Limited (ASX: WML) (Woomera) is an Australian public exploration company with a mandate for large scale new discovery opportunities backed by a team and shareholder register with very considerable prior successes.

In Australia, Woomera has a portfolio of assets prospective for battery metals (lithium nickel, copper + PGEs) and gold in the Ravensthorpe Yilgarn and Ashburton areas of Western Australia plus the Musgrave Province in South Australia, along with copper-gold mineralisation in the Gawler Craton of South Australia.

Woomera is an arms length and unrelated party to Kincora. Relating to the Agreement, Kincora will receive A\$450,000 share consideration in Woomera, becoming its largest shareholder and A\$100,000 cash payments.

For more information, please visit Woomera's website at <https://www.woomeramining.com.au>.

About Kincora

Kincora Copper is dual listed on the ASX and TSX-V (ticker "KCC") and is an active explorer and project generator focused on world-class copper-gold discoveries that has recently executed four agreements that unlock up to A\$60 million in multiple year partner funding. Further deals and new projects that offer a clear value path and targeted partnerships are proposed.

Kincora's portfolio includes district scale landholdings and scale-able drill ready targets in both Australia and Mongolia's leading porphyry belts, the Macquarie Arc and Southern Gobi, respectively, and, the Company is targeting exposure to initially 10,000 and then 30,000m+ pa of drilling.

For more information please visit Kincora's website at www.kincoracopper.com.

This announcement has been authorised for release by the Board of Kincora Copper Limited (ARBN 645 457 763)

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The scientific and technical information this announcement is extracted from reports lodged as market announcements referred to above, quarterly reports, project summaries and are available on the Company's website www.kincoracopper.com. The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Qualified Person

The scientific and technical information in this announcement was prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and was reviewed, verified and compiled by Kincora's staff under the supervision of Peter Leaman (M.Sc. Mineral Exploration, FAusIMM), Senior Vice-President of Exploration of Kincora, and John Holliday (BSc Hons, BEc, member of the Australian Institute of Geoscientists), Non-Executive Director and Chairman of Kincora's Technical Committee, who are Qualified Persons for the purpose of NI 43-101.

JORC Competent Person Statement

As originally reported in the July 26, 2022 press release "Mineral resource and updated exploration target for Bronze Fox", which provided a summary of the report "Resource Estimation for the West Kasulu Porphyry Copper Prospect, Mongolia." the MRE and Exploration Target have been prepared by independent consultants DG & JG Larsen Consulting Pty Ltd, and its principal Mr. David Larsen, and are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (JORC Code). DG & JG Larsen Consulting Pty Ltd was engaged and paid by Resilience Mining Mongolia Limited (Resilience). At the time, Resilience sought to acquire 100% of Kincora's Mongolian project portfolio but the transaction failed to complete.

The parameters for the MRE and updated exploration target were inline with Resilience's strategy for a near term, modest scale oxide development project and shallow brownfield drilling at the Bronze Fox Intrusive Complex, coupled with near surface (open pit) greenfield targets at the West Kasulu and Tourmaline Hills prospects.

Mr. David Larsen was at the time a Member of the Australian Institute of Geoscientists, a full-time employee of and the principal of DG & JG Larsen Consulting Pty Ltd and a shareholder of Resilience. Mr. Larsen produced the Mineral Resource Estimate based on data and geological information supplied by Kincora and Resilience.

Mr Larsen, BSc (Geology), MAIG, has sufficient experience that is relevant to the style of mineralisation and

type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.

Information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves are those that have been previously reported (with the original release referred to in this announcement), in the case of Mineral Resources or Ore Reserves the material assumptions and technical parameters underpinning the estimates have not materially changed, and have been reviewed and approved by John Holliday and Peter Leaman, who are a Competent Person under the definition established by JORC and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaking 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'; John Holliday and Peter Leaman consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. The review and verification process for the information disclosed herein for the Bronze Fox project have included the receipt of all material exploration data, results and sampling procedures of previous operators and review of such information by Kincora's geological staff using standard verification procedures.

Forward-Looking Statements

Certain information regarding Kincora contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-Looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although Kincora believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Kincora cautions that actual performance will be affected by a number of factors, most of which are beyond its control, and that future events and results may vary substantially from what Kincora currently foresees. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. The forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and is subject to change after that date. Kincora does not assume the obligation to revise or update these forward-looking statements, except as may be required under applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) or the Australian Securities Exchange accepts responsibility for the adequacy or accuracy of this release.

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