

Kincora hits porphyry mineralisation in second Trundle hole

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SHARES in Kincora Copper and partner RareX have risen after the second hole at the Trundle project in New South Wales' Lachlan Fold Belt hit porphyry mineralisation.

The second hole was drilled at the Mordialloc target, 8.5km from Trundle Park where multiple mineralised skarn zones, including 28m of visually interpreted moderate mineralisation, were hit last month in the first hole last month.

At Mordialloc, Kincora hit strong halo indicators of a mineralised porphyry intrusion system, including significant intervals with visually interpreted localised moderate copper grades and inner propylitic zone alteration.

The hole was completed to 790m depth.

Kincora technical committee chairman John Holliday said the results were very encouraging.

"All the right things are happening," he told a Resources Rising Stars virtual event yesterday.

"I think we're on the periphery of the target but that's what we're excited about."

Assays are pending for both holes, with the Trundle Park results expected in four weeks and the Mordialloc results in 5-6 weeks.

"I'd put Mordialloc a bit ahead of Trundle Park [in significance]," Holliday said.

"But we've got all the right indicators in both holes."

Holliday was involved in the discovery of Newcrest Mining's major Cadia deposit, the largest in the region.

While he doesn't think it's another Cadia, it could be "something akin to Northparkes".

Trundle is 30km west of the Northparkes copper-gold mine.

Trundle is the only brownfield project in the Macquarie Arc of the Lachlan Fold Belt held by a listed junior.

"This is the hottest porphyry prospect going in the Lachlan Fold Belt apart from the Alkane one [Boda]," Holliday said.

Over 60,000m has been drilled historically at Trundle, but over 92% of holes were within the top 50m to surface.

The third hole of the six-hole program by Kincora is underway at the Bayleys porphyry target.

Fortescue Metals Group recently secured the adjacent ground to the south of Trundle.

Kincora CEO Sam Spring described FMG as an "aggressive accumulator of land" in the area.

Toronto-listed Kincora acquired the six licenses from Perth-based RareX in March for C\$150,000 in cash and a 9.9% stake in Kincora.

Rare earths-focused RareX retains a 35% free-carried interest up until the completion of a scoping study.

Kincora has about C\$2.9 million cash and expects to have about \$1.4 million at the end of the program.

Spring said the company was "comfortably funded at this stage".

Kincora is listed in Toronto, but has considered an ASX listing.

Sydney-based former Oyu Tolgoi president Cameron McRae is chairman of Kincora, while Spring, a former analyst, is based in Melbourne.

However, Spring said the company was keen to spend what funds it had in the ground.

Shares in Kincora rose 7.7% overnight to 14c, valuing the company at \$21.4 million. RareX shares opened 13.3% higher at A6.8c, giving it a market capitalisation of about \$21 million.