

- Phase 1 drilling has started at the East Tsagaan Suvarga ("East TS") target for approximately 2,870 metres and 12 holes;
- East TS is a 'brownfield' open pit target, 13km from the existing Serven Sukhait open pit at the privately owned Tsagaan Suvarga project;
- Drilling will test a confirmed Devonian intrusive system for porphyry mineralization comparable to the development projects in the belt, Tsagaan Suvarga ("TS") and Oyu Tolgoi ("OT").

VANCOUVER, Aug. 31, 2017 - **Kincora Copper Ltd.** (the "Company", "Kincora") (TSXV:KCC) is pleased to announce drilling is underway at its wholly owned East TS copper porphyry target in the Southern Gobi, Mongolia. The maiden reverse circulation and diamond drill program at the East TS target is comprised of approximately 2,870 metres to less than 265 metres depth for approximately 12 holes. It is proposed that during a second phase Kincora will undertake infill geophysics and a follow on 5000 metre drill program.

*Sam Spring, President & CEO, commented: "It is pleasing to be drilling at the East TS target within a week of final approvals for our \$4.52 million equity offering. Kincora has commenced the first Tier 1 drilling program in recent years and the first modern district scale reconnaissance exploration program in what is a world-class but underexplored porphyry belt."*

*In the upcoming months we will undertake drilling at two targets, initially at East TS, and then Bayan Tal. These first phase programs will provide improved geological knowledge, with funds in place for follow up geophysics and second phase drilling for a total of approximately 16,000 metres.*

*Our exploration programs will utilise number of advancements in global exploration techniques since the last the last wave of exploration in this belt by the likes of Ivanhoe, the BHP JV and IBEX, and will test our conceptual models of the first new Devonian porphyry systems in the Southern Gobi belt since Oyu Tolgoi, the latter being the largest expansion project globally in the industry".*

### **East Tsagaan Suvarga target**

East TS sits within the interpreted eastern margin in the Tsagaan Suvarga Intrusive Complex ("TSIC") which hosts the Severn Sukhait open pit, various oxide resources and exploration targets on northern structural corridor within western margin of the intrusive at the privately owned Tsagaan Suvarga project. The Seven Sukhait sulphide open pit has a 307Mt @ 0.54% Cu resource and is a billion dollar plus development project with the orebody pre-stripped and existing associated regional infrastructure, including grid power and neighbouring saline water aquifers.

Surface geology at East TS provides an analogue to the Serven Sukhait open pit alteration and associated higher-grade copper mineralization. Analysis of age dating, whole rock geochemistry

and magma fertility highlights a common suite between quartz monzodiorite within the Severn Sukhait open pit, the high-grade underground deposits at OT and East TS. Interpreted geophysics supports a potential similar northern structural corridor on the eastern margin under shallow younger cover to that outcropping on the western margin. Field season activities in 2016 and earlier in 2017 have included ground magnetics, detailed mapping, petrography, whole rock geochemistry with fertility analysis, and age dating to complement historic Induced Polarization ("IP") geophysics and soil geochemistry. The objective of ongoing field activities at East TS is to confirm the open pit and exploration analogue to Tsagaan Suvarga.

The TSIC is situated within the second large-scale and Devonian age porphyry system in the Southern Gobi belt to date with an economic discovery. The East TS target is situated within 13km of the Severn Sukhait open pit and until last years' exploration efforts had previously unidentified outcrop, providing an excellent example of the highly mineralized but vastly underexplored potential of the Southern Gobi Devonian copper belt for further Tier 1 porphyry discoveries. Kincora holds the dominant land position in the region with a portfolio across 1437km<sup>2</sup>

#### **Qualified Person**

The scientific and technical information in this news release 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 geological staff under the supervision of Peter Leaman, Senior Vice-President of Exploration of Kincora Copper, who is the Qualified Person for the purpose of NI 43-101.