



# Kincora Copper

May 19<sup>th</sup> 2015

## BIG PICTURE - Kincora Copper poised for boost by Oyu Tolgoi agreement

Mongolia-focused Kincora Copper (CVE:KCC) was boosted Tuesday - as the government reached agreement with mining giant and the firm's neighbour Rio Tinto (LON:RIO) over a US\$5.4bn expansion at the huge, world class Oyu Tolgoi (OT) project.

The administration inked the underground mine development and financing plan with Rio and minority shareholder Turquoise Hill Resources, meaning work on the underground expansion can now begin after a heated two-year dispute.

Rio said the deal set out an agreed basis for the funding the project, which targets production at an eye-watering 160,000 tonnes per day.

Discussions are now expected to kick off again with a syndicate of international institutions to secure at least US\$4bn for the second stage at the massive mine - the largest financing of its kind in mining.

There has been a deadlock at OT on the second phase, with capital City Ulan Bator looking to renegotiate ownership.

But Mongolian prime minister Chimediiin Saikhanbileg said today Mongolia was "back to business".

It could mean financing could now flow for other projects, which will be welcome news to Kincora.

Kincora chief executive Sam Spring said in the last few years a number of legislative and political issues, coupled with gov't disputes had caused a collapse in foreign direct investment.

"Today we have the opportunity to turn Kincora not only into a successful copper explorer/developer based on its existing portfolio of attractive licenses and known targets, but a pre eminent first stop as investors revisit the potential for other significant discoveries in the OT mineralised trend".

"The improved Mongolian environment provides the foundation again for new entrants and increased activities, albeit within the context of difficult current global market conditions."

Spring said the lead \$4.2bn funding package for OT phase II would open the door to majors and other new entrants.

He highlighted the £28m investment in Mongolia -focused oil and gas firm Petro Matad (LON:MATD) last month from gas giant BG Group (LON:BG.) in a farm out deal for a 78% interest in two blocks.

He added the OT news, Kincora's stage of development and a growing consensus for favourable future copper prices, potentially supported Kincora becoming the next 'Petro Matad' in the copper space.

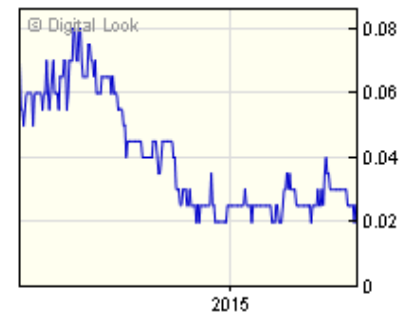
Kincora's flagship asset is the Bronze Fox copper-gold deposit, a known mineralised footprint of 40sq km, in the Oyu Tolgoi copper belt, around 140km northeast of Oyu Tolgoi.

"Globally porphyry deposits seldom occur in isolation, rather in significant clusters," noted Spring, though conceded that

**Price:** C\$0.025

**Market Cap:** C\$7.744M

### 1 Year Share Price Graph



### Share Information

**Code:** KCC

**Listing:** TSX-V

**Sector:** General Mining

**Website:** [www.kincoracopper.com](http://www.kincoracopper.com)

### Company Synopsis:

*At Kincora Copper Limited, our focus is on Mongolia, home of major undeveloped copper-gold deposits. We are a mining exploration and development company, based in Vancouver, and listed on the TSX Venture Exchange. Our strength comes from a major asset in Mongolia and a management team supported by experienced mining developers and years of background in Mongolia.*

action@proactiveinvestors.com



the potential to find another OT was relatively unknown.

Bronze Fox has thrown up extensive copper and a number of targets are open for copper and gold.

It was boosted in March when its Golden Grouse subsidiary gold prospects were reinstated after being revoked with new 12 year terms.

They are next door to Bronze Fox and comprise the North Fox prospect and the Western licence, where the firm is soon to start new exploration.

This is an exciting area since previous intervals identified at least 1g/t gold, up to 7.7g/t, often with elevated copper.

"Many are seeing Mongolia is a traffic light that is Red, turning Green, and will miss Amber on the way, and while we have had to be patient these last years, we could finally be approaching an inflection point for its mining sector following various positive legislative reforms," Spring told Proactive.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us ■ +44 (0)207 989 0813 ■ [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

## No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.