

# Alliance with Artificial Intelligence Explorer for Cundumbul project

- Exploration alliance agreement with Earth AI for the Cundumbul porphyry project
- Success based alliance seeks to leverage Earth AI's vertically integrated, proprietary artificial intelligence and machine learning capacity to generate and drill test targets
- Up to \$4.5m to be spent by Earth AI over 2 years:
  - Initial reconnaissance field trip planned over the summer to assist refine drill targets
  - Up to 3% royalty earned by Earth AI only upon new drilling discovery (qualify intersection)
- Cundumbul is located in the world-class Molong belt of the Macquarie Arc, 30km south of Boda (>10Moz AuEq discovery) and 70km north of Cadia (>90Moz AuEq endowment), with previous surface exploration and limited drilling confirming porphyry potential

## Melbourne, Australia — October 6<sup>th</sup>, 2022

Kincora Copper Limited (TSXV & ASX: **KCC**, **Kincora** or the **Company**) is pleased to announce the execution of an Exploration Alliance Agreement (Exploration Alliance) with Earth AI Pty Ltd (Earth AI) covering the Cundumbul project.

Sam Spring, President & CEO, commented:

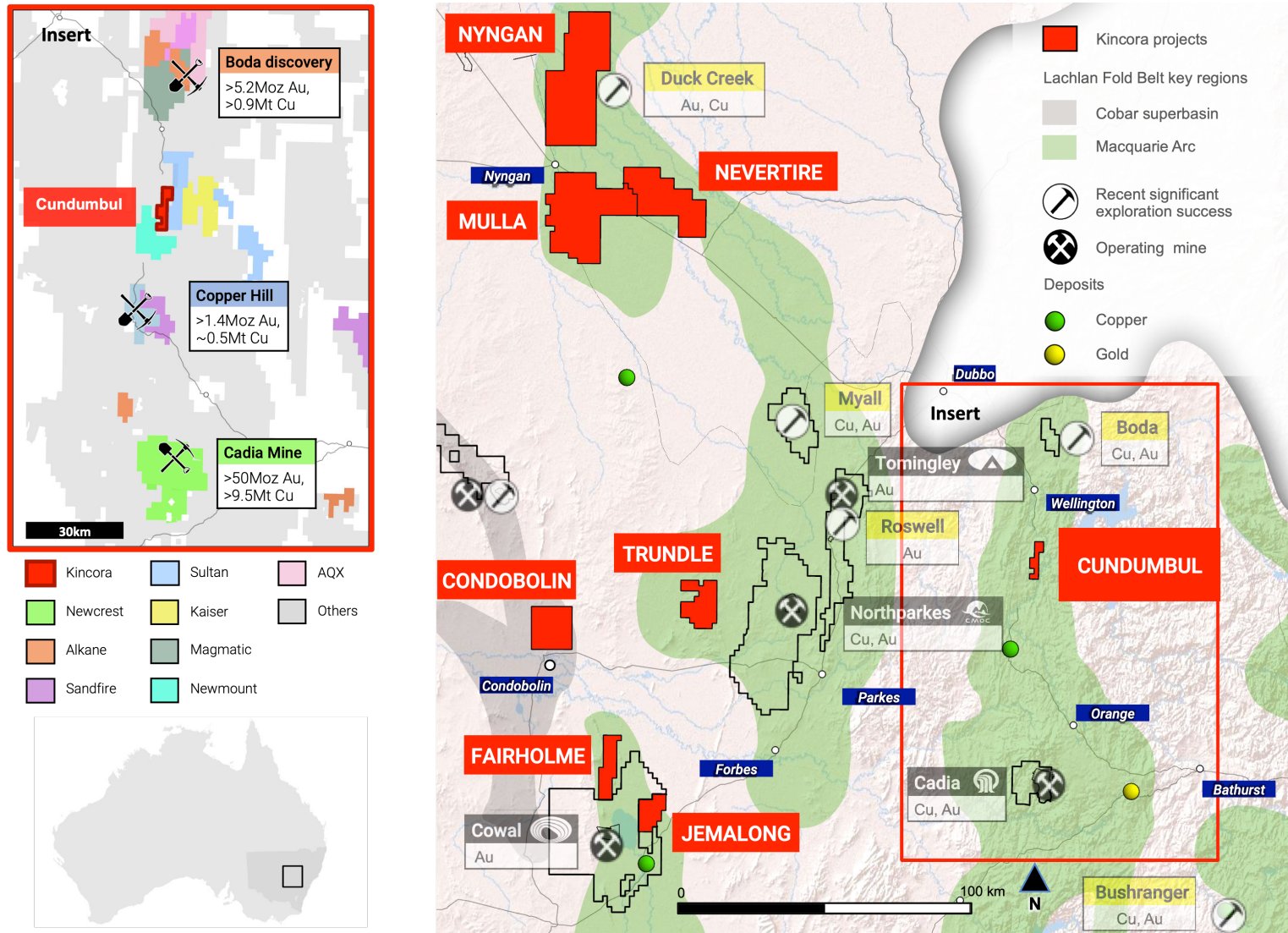
*"The Exploration Alliance with Earth AI seeks to accelerate target generation and drill testing at the Cundumbul project. The project is strategically located in Australia's foremost porphyry region.*

*Previous surface exploration and limited drilling has confirmed fertile intrusive porphyry systems in both the north and south of the project, located over 10km apart.*

*Earth AI has applied its proprietary cloud based AI and machine learning technology resulting in priority targets identified for field checking. Boots on the ground reconnaissance is expected over the summer to assist advance and refine the drill targeting process.*

*The agreement with Earth AI is consistent with Kincora's exploration strategy to systematically advance, apply industry leading geoscience and drill test our strategically located and district scale project portfolio in the Lachlan Fold Belt."*

**Figure 1:** Cundumbul is located in the world-class Molong belt of the Macquarie Arc, 30km south of Alkane's Boda-Kaiser porphyry project (maiden resources >10Moz AuEq), 25km north of Copper Hill (>3Moz AuEq resource) & 70km north of Cadia (>90Moz AuEq endowment). Previous surface exploration and limited drilling has confirmed porphyry potential both in the north and south of the Cundumbul project, located 10km apart.



## Key terms of the Exploration Alliance

The Exploration Alliance allows for a co-funding model and joint technical committee, whereby Earth AI will have day-to-day management and control of exploration activities, and contribute up to A\$4.5m of total exploration expenditure across the project over a two-year period with an option to extend for a further year.

Subject to a minimum of 1500 metres of diamond drilling and a Qualifying Drilling Intersection resulting in a new discovery (as defined within the Exploration Alliance Agreement), Earth AI is entitled to a net smelter return royalty (Royalty) of up to 3% in connection with a to be agreed upon area surrounding the discovery (Area of Interest, size dependent on the extent of the newly discovered mineral system).

Kincora is under no obligation to explore, develop or mine the Cundumbul project during the period of the Exploration Alliance. However, upon Earth AI successfully drilling a Qualifying Drilling Intersection and having carried out a minimum of 1,500 metres of diamond drilling, whereafter the second anniversary of the Royalty Trigger Date if no mineral resource has been defined and the annual exploration expenditure in the Area of Interest falls below US\$250,000, Earth AI will have the option to assume operational control and buy all of the Royalty Tenements that overlap with the Area of Interest under the Royalty Deed, for a cash purchase price equal to US\$1,000,000 plus a 2% net smelter.

The Agreement will not affect the capital structure of the Company or current ownership in the project, with Kincora and RareX Limited (REE:ASX) retaining the existing 65% and 35% respective interests in the Cundumbul project/license. Rights of first refusal customary for such an ownership and Exploration Alliance structure are in place.

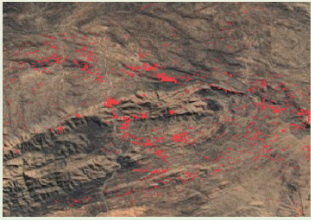


## About Earth AI

Earth AI is a San Francisco (USA) headquartered Artificial Intelligence (AI) company that has a vertically integrated metals exploration approach to targeting, testing and verifying discoveries that are required for the electric vehicle and renewable energy revolutions.

Earth AI has an in-house geological team, proprietary cloud computing and integrated geological AI review and machine learning process supported by boots on the ground field assessment approach. Refer to Figure 2 for an overview of its disciplined and staged approach for metals exploration.

Earth AI seeks to efficiently reduce the lead-time and cost to discovery, with drilling utilising its Mobile Low Disturbance (MLD) diamond rig and associated equipment. Earth AI's NSW field based operations are located in Young.

**Figure 2:** Earth AI’s vertically integrated Artificial Intelligence (AI) model seeks to increase the success rates, reduce the lead time and lower the cost of discovery exploration

Stage 0	Stage 1	Stage 2	Stage 3
<b>AI Targeting</b>	<b>Field Testing</b>	<b>Geological assessment</b>	<b>Locating the orebody</b>
Cloud computing and geology review	Geological field trip to test predicted sites	Geological mapping	Diamond drilling
Criteria: High probability AI target in a fertile geological setting	Criteria: Geochemistry anomaly, ore-related mineralogy	Criteria: 1-2 hypotheses for orebody location & genesis	Criteria: Ore grade >0.5% CuEq & indicative alteration, intersection thickness >30m
			Reasonable potential for >500Mt @ <500m depth
	AI Mineral Targeting Technology and Field Sampling	Geological Mapping & Surveying	Mobile Low Disturbance Drilling
			

Source: Earth AI website ([www.earth-ai.com](http://www.earth-ai.com))

### About the Cundumbul project

The Cundumbul project is located in the central Molong volcanic belt of the Macquarie Arc in Central West NSW. The project is approximately 30km south of Alkane’s Boda-Kaiser porphyry project (maiden Boda resource >10Moz AuEq and maiden Kaiser resource scheduled 1Q’2023), 25km north of Copper Hill (>3Moz AuEq resource) and 70km north of Cadia (>90Moz AuEq endowment).

Exploration efforts at the Cundumbul project were last lead by Mitsubishi Materials Corporation during an earn-in period (concluded 2015). Previous exploration has included mapping, soil sampling, rock chip sampling, induced polarisation (IP), gravity and magnetic geophysical surveying, with more limited follow up auger, RC and diamond drilling.

Mineralised monzonitic intrusions have been identified at both the Bells and Andrews prospects, in the north and south respectively of the Cundumbul project, located over 10km apart.

More recent exploration by Sultan Resources at multiple common prospect mineral systems adjacent to the projects license boundary have returned extensive hydrothermal alteration, anomalous copper and gold, and further confirmed porphyry potential.

### **Cundumbul Project background**

The Cundumbul Project includes one single license covering 34.6km<sup>2</sup> and was secured by Kincora in the March 2020 agreement with RareX Limited ("REE" on the ASX). Kincora is the operator, holds a 65% interest in the Trundle Project and is the sole funder until a positive scoping study is delivered at which time a fund or dilute joint venture will be formed.

Further details on the Cundumbul project is available from the Independent Technical Report included in the Company's ASX initial public offering prospectus, with additional information on Kincora's portfolio in NSW and exploration strategy also available on the Company's website: <https://kincoracopper.com>

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

### **For further information please contact:**

Sam Spring, President and Chief Executive Officer  
sam.spring@kincoracopper.com or +61431 329 345

### **For media enquiries:**

Media & Capital Partners  
Angela East at [Angela.East@mcpartners.com.au](mailto:Angela.East@mcpartners.com.au)

### **Executive office**

400 – 837 West Hastings Street  
Vancouver, BC V6C 3N6, Canada  
Tel: 1.604.283.1722  
Fax: 1.888.241.5996

### **Subsidiary office Australia**

Vista Australia (formerly Leydin Freyer Corp Pty Ltd)  
Level 4, 100 Albert Road  
South Melbourne, Victoria 3205

### **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.**