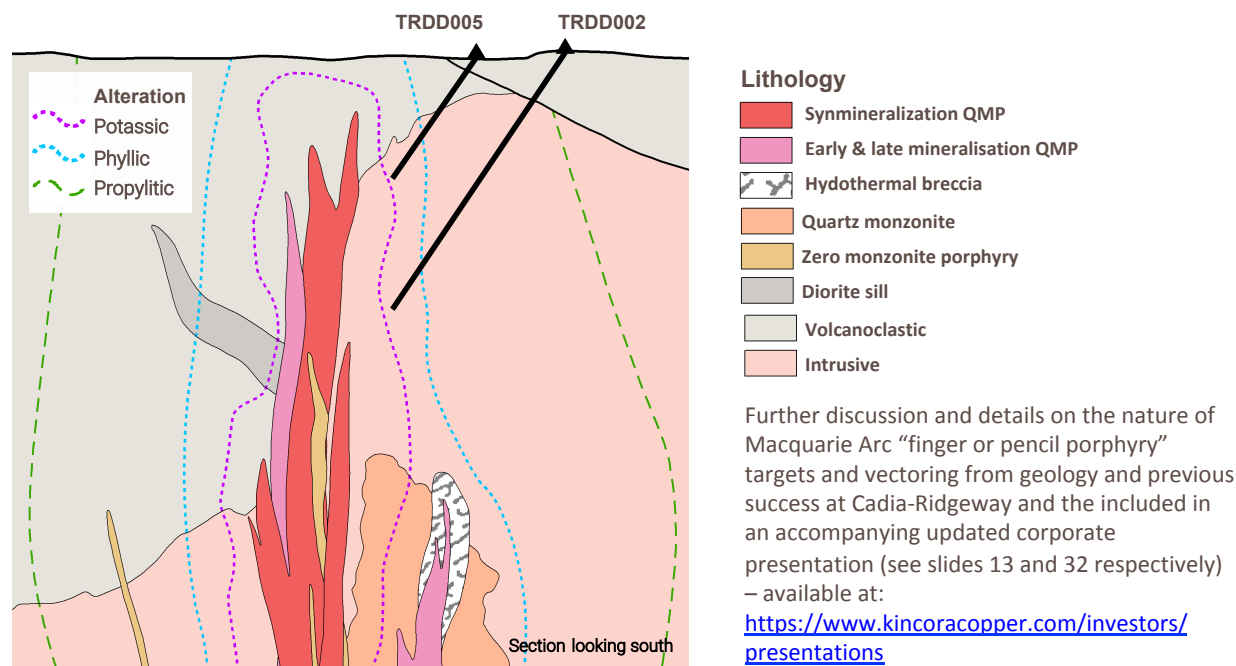


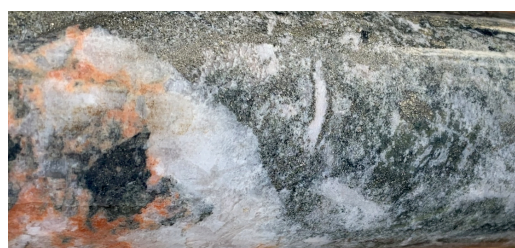
### Figure 3: Conceptual position of current drill holes at the Mordialloc target

Conceptual section of Macquarie Arc “pencil” porphyry systems based on Northparkes & Ridgeway deposits showing the potential position of Kincora’s Mordialloc drill hole TRDD002 in relation to the characteristic geology & alteration haloes of these systems. Increasing intensity of propylitic alteration down hole in TRDD002 suggests a potentially proximal location to potassic alteration – TRDD002 is to be extended. Drill hole TRDD005 also is shown projected onto the section and is ongoing.



### Ongoing hole better than the first at Mordialloc

Kincora’s first hole at Mordialloc is interpreted to have ended in an ore-proximal environment, will be extended, but next hole is already better

TRDD002*	TRDD005*
 <p>Potassic altered monzonite porphyry with chalcopyrite-chlorite clots @ 755m</p>	 <p>Vein type quartz-calcite-pyrite-chalcopyrite mineralisation hosted by an epidote-chlorite altered volcanoclastic sandstone with agglomerate. @ 634 metres</p>
 <p>Volcanoclastics, propylitic, si-mgt, bio-ser-epi-ch, qz-carb veining, with patchy kspar alteration @ 778m</p>	 <p>Vein type quartz-calcite-pyrite-chalcopyrite-sphalerite-hematite mineralisation along a vein cutting abundant pyrite with epidote-chlorite altered volcanoclastic sandstone with agglomerate @ 643m</p>