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## Kutcho Copper Provides Corporate Update

**Vancouver, B.C., February 5, 2020. Kutcho Copper Corp. (TSXV: KC) (OTC: KCCFF)** (“Kutcho Copper” or the “Company”) owns the Kutcho high grade Copper – Zinc development project located in north-western British Columbia. The Company completed a Pre-Feasibility study (“PFS”) dated July 31, 2017 that demonstrated positive economics with an after tax NPV of \$265 million and an IRR of 27.6%. The Company completed the acquisition of the project in December 2017 with the support of Wheaton Precious Metals, involving a staged financing package of over \$100 million. The Kutcho project benefits from existing ground access, a camp and airstrip on site and highway access to the nearby port at Stewart to ship its concentrates from.

“2019 was an important year for the Company, with several important milestones completed that advanced the Project towards completion of a Feasibility Study and embark on the Environmental Assessment Process. In addition, with the signing of the phase one US-China trade deal, market sentiment shifted towards a bullish outlook for copper in 2020 and beyond” stated Vince Sorace, President & CEO of Kutcho Copper. “Kutcho is a high margin, low capital project with lots of upside potential and our objective in 2020 will be to continue to de-risk and advance the project towards a production decision.”

### Significant milestones achieved in 2019 include:

- 1) Completing an updated mineral resource estimate for the Main, Esso and Sumac deposits resulting in 17.26 Mt of measured & indicated mineral resources at 2.61% CuEq<sup>1</sup> and 10.71MT of Inferred resources at 1.67% CuEq<sup>1</sup>. Significant exploration potential remains between, below and along strike from the existing mineral resources, providing further upside opportunities to grow the size of the project. The updated mineral resource incorporates the significant work and new drilling conducted by Kutcho Copper during its first year of ownership of the Project, including a substantial 84% increase in inferred mineral resources compared to the 2017 resource estimate. See news release dated March 4<sup>th</sup>, 2019 and our website at [www.kutcho.ca](http://www.kutcho.ca) or SEDAR at [www.sedar.com](http://www.sedar.com) for the 2017 NI 43-101 Technical Report for previous mineral resource estimate details.
- 2) Improved metallurgical results including 92.3% copper recoveries and 84.2% zinc recoveries from a sample of the Main deposit and 94.5% copper recoveries and 89.3% zinc recoveries from a sample from the Esso deposit. The recoveries of copper and zinc to their respective concentrates have improved significantly over the 2017 prefeasibility study life of mine results, including improved zinc concentrate grades and the rejection of zinc from the copper concentrate, to generate a cleaner, higher value copper concentrate. Silver recovery was also significantly improved. See news releases dates September 11<sup>th</sup> and November 21<sup>st</sup>, 2019.
- 3) Undertook extensive quantitative mineralogical analyses by QEMSCAN building a geo-metallurgical model of the Main and Esso deposits. This resulted in a comprehensive understanding of the distribution of copper and zinc bearing minerals, along with other important minerals that has and should continue to help improve the metallurgical performance at the Kutcho project.
- 4) Initiated various trade-off studies centered on mining methods, mining costs, tailings management facility design and location, preliminary geotechnical parameters and stope sizing. These studies are ongoing and will be the foundation for completion of the upcoming Feasibility Study.

- 5) Submission and acceptance of the final Project Description to the British Columbia Environmental Assessment Office (BCEAO) and reception of a Section 11 Order that defines the scope of the Environmental Assessment and the Indigenous Nations that Kutcho and British Columbia will engage with through the process. With the passing of Bill C-69 (*Canadian Impact Assessment Act*) and associated threshold regulations, the Kutcho Project is not required to undertake a federal environmental assessment.
- 6) Joined the BC Regional Mining Alliance (“BCRMA”), a consortium of Aboriginal groups, industry peers, the BC Government, and AME BC. The Alliance was formed to promote and raise awareness of British Columbia, Canada as a world-class mining jurisdiction.
- 7) Signed and maintain exploration agreements with both Tahltan and Kaska (Dena) Nations as well as working collaboratively as the project progresses through the Environmental Assessment Process.
- 8) Completed comprehensive baseline data collection for meteorological, groundwater, and surface water (quantities and quality) that will continue in 2020.

#### Kutcho Project Mineral Resources Estimate

Class	Tonnes (000)	CuEq (%)	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
<b>Main Deposit</b>						
Measured	5,831	2.66	1.92	2.78	0.48	28.7
Indicated	9,003	2.20	1.62	2.13	0.40	29.2
Measured + Indicated	14,834	2.38	1.74	2.38	0.43	29.0
Inferred	1,902	1.98	1.31	2.16	0.48	29.7
<b>Esso Deposit</b>						
Indicated	2,425	3.98	2.52	4.76	0.81	64.0
Inferred	1,025	2.30	1.60	2.23	0.52	41.4
<b>Sumac Deposit</b>						
Inferred	7,779	1.52	1.10	1.60	0.17	16.9
<b>Combined</b>						
Measured	5,831	2.66	1.92	2.78	0.48	28.7
Indicated	11,428	2.58	1.81	2.68	0.49	36.5
Measured + Indicated	17,259	2.61	1.85	2.72	0.49	33.9
Inferred	10,706	1.67	1.18	1.76	0.26	21.5

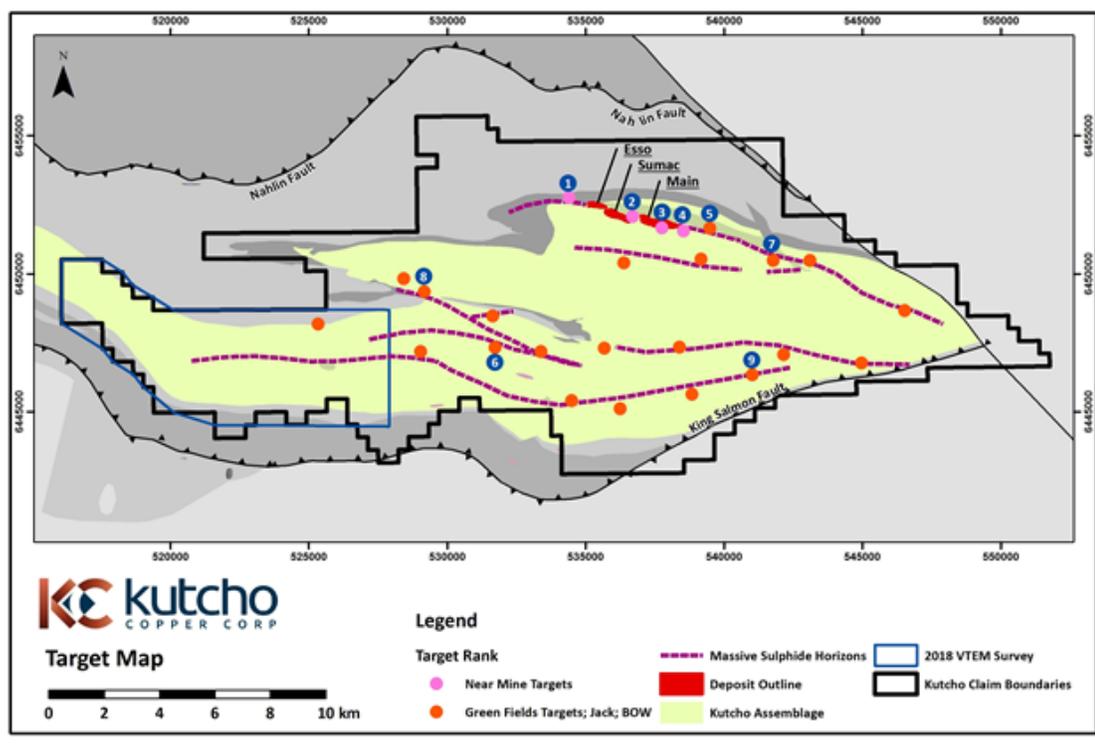
1. The estimates in the table are considered to be amenable to underground extraction methods. The base case cut-off grade is 1.2% CuEq based on the formula  $CuEq = (Cu\% \times 0.825) + (Zn\% \times 0.302) + (Ag \text{ g/t} \times 0.004) + (Au \text{ g/t} \times 0.262)$ . Mineral resources are not mineral reserves because the economic viability has not been demonstrated.
2. Estimate assumes Mining (underground) US \$34.00/t, Processing US \$18.00/t, US G&A \$10/t, copper price US \$3.00/lb, zinc price US \$1.25/t, gold price US \$1350/oz, silver price US \$17.00/oz, copper payable recovery 82.5%, zinc payable recovery 72.5%, silver payable recovery 45%, gold payable recovery 40%
3. Effective date of resource estimate February 22nd, 2019
4. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated or measured mineral resources with continued exploration.
5. Assumptions used to derive the cut-off grades in order to meet the NI43-101 requirement for mineral resource estimates to demonstrate “reasonable prospects for eventual economic extraction”. The cut-off grades to be used in the upcoming feasibility

study may vary from those used to limit the mineral resources reported herein, as the inputs to that study are determined. No inference is implied in the changes to the assumptions used in the cut-off grade calculations from the prior mineral resource estimates as to what will be used in the upcoming feasibility, as those assumptions remain to be determined.

## Exploration Opportunities

The Kutcho project covers 90% of the prospective Kutcho formation rocks east of Dease Lake, B.C. These prospective volcanic rocks are folded, repeating the mineralized horizon threefold on the project, including the area hosting the known deposits. Most of the drilling on the project has been focused in and around the three known deposits. However, significant exploration upside has been identified through a review of historic work, including several priority drill ready targets prospective for the discovery and definition of additional mineral resources. These prospective targets include:

- The Corefarm Creek target (1) represents a geophysical anomaly extending 1500 m westward from the Esso deposit. Approximately 150 m of this anomaly has been drill tested, returning several mineralized intercepts including 7.2 m of 2.0% Cu, 5.2% Zn and ~17 g/t Ag in hole E094B3. There remains 300 m of untested Kutcho horizon between hole E094B3 and Esso, along with an additional 1,000 m of untested horizon to the west of hole E094B3 (Estimated true thickness of 6.12m).
- The Main-Sumac Gap (2) is a 400 m gap between the adjacent Main and Sumac deposits that is untested by drilling. A conductive geophysical anomaly coincides with the area and is 360 m long. K003, the most eastern hole to intersect the Sumac deposit and located on the western margin of the gap returned 5.12 m of 1.29% Cu, 0.49% Zn and 7 g/t Ag (Estimated true thickness of 4.32m).
- The FWZ (4) target lies beneath the Main zone. The FWZ is open to the east, where drilling currently ends with a 1.5 m intercept of 3.54% Cu, 6.94% Zn, 316.9 g/t Ag and 1.47 g/t Au in hole E057 and is also open at depth.



## **Management Changes**

Michael Rapsch (VP Corporate Communications) has resigned as an officer of the company. We would like to thank Michael for his time and contribution towards the current and future success of the Company.

## **Qualified Persons**

Robert Sim, P.Geo. Consultant to the Company and a Qualified Person as defined by National Instrument 43-101 ("NI 43-101") has reviewed and approved the contents of this news release related to the mineral resource estimate. All samples were collected in accordance with industry standards. Splits from the drill core samples were submitted to the ALS sample preparation laboratory in Whitehorse, Yukon Territory, Canada, and then transferred to ALS' laboratory in Vancouver, British Columbia, Canada for fire assay and ICP analysis. Accuracy of results is tested through the systematic inclusion of standards, blanks and check assays. The mineral resource estimate referenced in this press release was prepared in November 2018 by Robert Sim, P.Geo., an independent Qualified Person as defined by NI 43-101.

Tom Shouldice, Chief Executive Officer of Base Metallurgical Laboratories is a professional metallurgical engineer with over 20 years of experience in mineral processing. His relevant experience includes plant operations, project management, engineering and all aspects of metallurgical testing. Tom specializes in flotation and mineralogical interpretation in relation to metallurgical response. Mr. Shouldice is a "Qualified Person" as defined in National Instrument 43-101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators and has reviewed and approved metallurgical data presented in this news release.

Kutcho's additional disclosure of a technical or scientific nature in this press release has been reviewed and approved by Mr. Rory Kutluoglu, B.Sc, P.Geo., who serves as a Qualified Person under the definition of National Instrument 43-101.

## **About Kutcho Copper Corp.**

Kutcho Copper Corp. is a Canadian resource development company focused on expanding and developing the Kutcho high grade copper-zinc project in northern British Columbia. Committed to social responsibility and the highest environmental standards, the Company intends to advance the Kutcho Project through feasibility and permitting to a positive construction decision.

Vince Sorace  
President & CEO, Kutcho Copper Corp.

For further information regarding Kutcho Copper Corp., please email [info@kutcho.ca](mailto:info@kutcho.ca) or visit our website at [www.kutcho.ca](http://www.kutcho.ca).

### ***Cautionary Note Regarding Forward-Looking Statements***

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*This news release contains certain statements that may be deemed "forward-looking statements" with respect to the Company within the meaning of applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although Kutcho Copper believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future*

*performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, the Company's ability to raise sufficient capital to fund its obligations under its property agreements going forward, to maintain its mineral tenures and concessions in good standing, to explore and develop the Kutcho project or its other projects, to repay its debt and for general working capital purposes; changes in economic conditions or financial markets; the inherent hazards associated with mineral exploration and mining operations, future prices of copper and other metals, changes in general economic conditions, accuracy of mineral resource and reserve estimates, the ability of the Company to obtain the necessary permits and consents required to explore, drill and develop the Kutcho project and if obtained, to obtain such permits and consents in a timely fashion relative to the Company's plans and business objectives for the projects; the general ability of the Company to monetize its mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company's operations, compliance with environmental laws and regulations, aboriginal title claims and rights to consultation and accommodation, dependence on key management personnel and general competition in the mining industry. Forward-looking statements are based on the reasonable beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.*