



## PRESS RELEASE

**Symbol: KCR-CNSX**

### ***Cancor Update: gold exploration activities in Algeria***

**Montreal, May 31, 2010** - Cancor Mines Inc. (Canadian National Stock Exchange-KCR-CNSX) is pleased to provide the following update on its exploration program in Algeria.

Exploration work was carried out from April 1st to May 10, 2010 on three of the Company's Algerian properties. The work focused on the validation of the historical data for the two projects acquired in 2008 and the continuation of the exploration activity which was commenced during the 2008 campaign on the Tan Chaffao West licence.

Sampling of many trenches on several gold showings was completed. Visible gold has been observed in some of these trenches and a total of 183 samples has been collected for analysis. These samples have been sent to the OMAC Laboratories in Ireland. Exploration work will resume in October after the heat season in the Sahara.

Cancor holds four permits for gold exploration in the Hoggar region of Algeria, located approximately 2000km south of the capital Algiers. They are located in a very favourable geological environment similar to Canada's Abitibi greenstone belt and contain numerous gold showings on or near surface which may be amenable to open-pit mining.

- Tan Chaffao West prospection permit (44 580 ha),
- In Ouzzal North exploration permit (25 872 ha),
- Tirek North prospection permit (98 990 ha), and
- Tan Chaffao East exploration permit (20 000 ha).

**Tan Chaffao West** – The geological and geochemical work that was carried out by Cancor in 2007-2008 has confirmed the historical results obtained for the mineralized zones that were discovered in the early 1970s by Russian geologists working for the Algerian state-owned entity Société Nationale de Recherche Minière (Sonarem). These zones, which cover several kilometres, are located in highly altered rhyolitic rocks, contain malachite, pyrite, chalcopyrite, sphalerite, galena, and gold in addition to pyrrhotite, barytine, and magnetite. In addition, visible gold has been observed by Cancor geologists in old drill core remaining from drilling completed in the 70's which was never sampled.

Many samples have been collected near the site where a grab sample taken by Cancor geologists returned a value of 9.5 g/t Au and on two sections in the drill hole core 74-2 on Lens I to check their gold content. A total of 18 samples were collected and will be analyzed for Au, Ag, Cu and Zn and other metals.

The following indicates some of the best results reported by the Russian teams and obtained by Cancor during the 2008 work:

- 7.60% Zn over 3.20 metres and 2.30% Cu over 1.50 metres in Trench 12 on Lens I;
- 4.60 g/t Au over 2.00 metres in Trench 1 on Lens II;
- 78.40 g/t Au over 0.60 metre in Trench 25 on Zone 2N; and
- 5.2 g/t and 9 g/t Au respectively from two grab samples.

**Tan Chaffao East** – This licence, located 45 km SE of Tan Chaffao West, contains copper-gold-mineralization associated with altered felsic volcanics mineralized with Copper, Zinc and Gold.

The Tan Chaffao East mineralized zones are hosted by several bodies of secondary quartzite, attributed to the same key horizon. The historical resource estimate for this is **6.6 million tonnes of 0.55% Cu and 1.62g/t Au** (Sonarem, Kytchakov, et al. for the work in 1972-1973 and V. Kouldochine et al. for the work in 1973). This preliminary assessment was carried out by the Russian team, based on 10 drill holes and trenches spaced 100 to 200 m apart. These resources are characterized by Kouldochine et al. as "prognostic", which corresponds to category C2 (in the Russian classification).

These resources are not compliant with Canadian National Instrument 43-101. No qualified person has carried out the work required to classify the historical estimate as current mineral resources. Cancor is not treating the historical estimate as current mineral resources, and accordingly, the historical estimate should not be relied upon (July 8, 2008 Press Release).

All the historical surface works have been surveyed and numbered by GPS. A mapping of the deposit and a geological reconnaissance of The NE and Prospection showings has been completed. Many existing trenches were opened and systematically sampled through channel sampling. A total of 152 samples has been collected and will be sent to Ireland for Gold and Base Metal analysis.

**North Tirek-** The Tirek North licence covers a 98 990 hectares surface (989 km<sup>2</sup>). It is located on the eastern edge of the In Ouzzal mole, which consists of a band of mylonites between 300 and 3,000 metres thick corresponding to a major tectonic deformation rift (called the In Ouzzal Fault Zone). This tectonic zone controls the emplacement of numerous instances of vein-type gold mineralisation, including the two gold deposits at Tirek and Amessmessa, located respectively 17 and 70 km south of the southern boundary of the licence. The Amessmessa deposit is currently in production.

The known gold-bearing quartz veins within the boundaries of the Tirek North licence are grouped together into vein-type gold fields, some of which extend for several kilometres. From south to north, these gold fields are known as the Kheima, the Zone 12, the Zone 13, the Zone 17, the Syenite, the Kiouène, the South Site, and the Number Three.

The gold, which is often free, is associated with pyrite and/or galena and/or chalcopryrite sulphides with iron oxides, hydroxides, and copper carbonates.

Trenching was carried out on all the gold fields and channel sampling was performed by Russian and Algerian teams prior to Cancor's acquisition of the licence.

Recent work by Cancor comprised geological reconnaissance of the license, GPS surveying of most of the existing trenches, and channel sampling of some of them, particularly in the Kheima, Syenite and Kiouene Goldfields. Numerous visible gold specks were observed in the trenches. A total of 13 samples were completed and are being sent to Ireland for Gold and Silver analysis.

### **Quality Control**

Follow up on the exploration program was carried out by Cancor employees under the supervision of Kamil Khobzi, Eng., M.Sc., the President and CEO of the Company. Mr. Khobzi is a qualified person (as defined by National Instrument 43-101) with more than 34 years of experience in exploration.

Mr. A. Chaouche, an Algerian consulting geologist, accredited by the Algerian Ministry of Energy and Mines, has collected the samples and supervised their preparation and transport to OMAC Laboratories in Ireland. They will be assayed by fire-assay followed by atomic absorption or gravimetry, according to industry standards.

Repeats on the coarse rejects will be carried out on all mineralized intersections of interest and on all samples containing 1 g Au/t or more. These repeats will be verified by a second independent laboratory to corroborate the original results.

### **About Cancor Mines Inc.**

Cancor Mines Inc. is a Canadian company involved in the exploration and development of mineral properties with high potential for precious or base metals. In addition to its Quebec properties, the Company holds a 100% interest in the four Algerian properties which are prospective for gold. The Company is listed and traded on the Canadian National Stock Exchange under the symbol: KCR (CNSX-[www.cnsx.ca](http://www.cnsx.ca))

All Cancor Mines press releases, maps and figures related to these properties are available on the company's website, [www.cancor.ca](http://www.cancor.ca).

Technical reports with compliance to NI 43 101 have been completed for all our properties and are available on SEDAR site ([www.sedar.com](http://www.sedar.com)) and on our web page on CNSX ([www.cnsx.ca](http://www.cnsx.ca)).

Mr. Khobzi an engineer and qualified person under NI 43-101, who has visited the properties, has read and approved this release.

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### **Caution concerning forward-looking statements**

*This press release contains certain "forward-looking statements", including, but not limited to, the statement regarding exploration work and the emphasis on looking for a certain type of deposit. Forward-looking statements involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Risks and uncertainties that could cause results or future events to differ materially from current expectations expressed or implied by the forward-looking statements include, among other things, those set forth in Cancor's 2009 Annual Information Form, a copy of which can be obtained on the SEDAR website at [www.sedar.com](http://www.sedar.com)*

The CNSX does not accept responsibility for the adequacy or accuracy of this release.

Contact: Kamil Khobzi, Eng.

President and CEO  
Cancor Mines Inc.  
Tel: (514) 849-3013  
Fax: (514) 384-6399