



## PRESS RELEASE

Symbol: KCR-CNSX

### 9.60 g/t Au over 10.00m: Impressive results on Tan Chaffao East in Hoggar, Algeria

**Montreal, August 4, 2010,-** Cancor Mines Inc.(Canadian National Stock Exchange-KCR-CNSX) is pleased to report results from recent trenching and sampling on the Tan Chaffao East and West properties in Algeria.

**Tan Chaffao East** – Cancor holds a 100% interest in the Tan Chaffao East property through an exploration license acquired in 2008. The property straddles a major fault associated with numerous extensive surface and near-surface gold showings which appear to offer exceptional potential for open pit mining. Furthermore, the property hosts a gold-copper deposit which was the subject of an historical resource estimate made by Russian geologists in the 1970's supported by information from trenching channel sampling and a limited amount of drilling.

Recent work by Cancor comprised geological reconnaissance of the license, and GPS surveying of most of the existing historical surface works. A mapping of the deposit and a geological reconnaissance of two additional gold showings have been completed. Six existing trenches totaling 152m were opened up and systematically sampled through channel sampling. A total of 152 samples were collected and sent to Ireland for gold and base metal analyses.

Three mineralized zones of the known deposit were the focus of our recent work: the South-West, the Central and the North-East blocks. Cancor opened up six trenches. The results are the following:

Block	Trench	Width, m	Au, g/t	Au, g/t*	Cu, %	Zn, %	Ag, g/t
SW	TR101	7.0	1.37	1.37	0.71	1.03	3.00
SW	TR102	10.0	9.60	8.97	0.84	0.10	6.54
SW	TR109	1.0	0.05	0.05	0.16	0.58	2.60
Central	TR106	8.0	0.03	0.03	1.13	0.67	1.09
Central	TR106	1.0	6.79	6.79	0.12	0.03	1.90
Central	TR106	1.0	1.25	1.25	0.33	0.14	1.00
NE	TR143	16.0	0.02	0.02	1.22	0.64	3.29

*\*Cut at 1 ounce/tonne or 31.104 g/t*

The TCE licence covers an area of 20,000 hectares (200 km<sup>2</sup>), and contains copper-gold mineralization. It is located on the eastern flank of the In Rabir syncline in volcanic-sedimentary formations.

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).

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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).

With the exception of the southern sector of the licence containing the known deposit, the balance of the area covered by the licence is still at the preliminary exploration stage as little work has been carried out.

The Company intends to focus its attention on the known deposit which appears to offer exceptional potential for expansion. The deposit is open to the north and to the south at surface and also at depth. The Company is optimistic that an appropriate drilling program would deliver a significant increase in resources. A surface exploration program is proposed for the coming season which will enable the Company to define optimum drilling targets.

**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.

Two check samples were collected near the site where a grab sample taken in 2008 by Cancor geologists returned a value of 9.5 g/t Au and a further sixteen (16) samples were taken from two sections in the core from drill hole 74-2 on Lens I to check their gold content. The 18 samples were also analyzed for silver. No significant value was detected.

### **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, collected the samples in the presence of M. Khobzi, Eng. and supervised their preparation and transport to OMAC Laboratories in Ireland. They have been 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.

In the 1970s, samples from the Hoggar region were sent to the SONAREM (now ORGM) laboratory in Tamanrasset. To the best of the author's knowledge, the analysis methods used at the time were spectrographic powder assaying and the Sofranov method. These methods are no longer used by recognized laboratories. For this reason, the author cannot pronounce judgment on the relevance and quality of the methods used during the exploration campaigns of previous years by the Russian, French, and Algerian teams. The Tamanrasset laboratory has not yet received international accreditation. However, the author is of the opinion that the results of the analysis given above provide a conceptual indication of the sector's potential, and that they are relevant for the purposes of geological evaluation.

### **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 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))

The Algerian properties are located in the Hoggar region 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. The properties are as follows:

- 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).

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.

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