

# Highland to Acquire the White Pine Copper Project in Michigan from a Subsidiary of First Quantum Minerals

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LONGUEUIL, QUEBEC--(Marketwired - Nov 19, 2013) - [Highland Copper Company Inc.](#) (TSX VENTURE:HI) ("Highland" or the "Company") is pleased to announce that it has entered into a binding letter agreement with Copper Range Company ("CRC"), a subsidiary of [First Quantum Minerals Ltd.](#) (TSX:FM)(LSE:FQM), to acquire all of CRC's rights, title and interest in the White Pine copper project ("White Pine") located in the Keweenaw Peninsula region of northern Michigan, U.S.A. (Figure 1). White Pine includes a number of mineral rights and surface rights covering an area of approximately 11,000 ha.

Dave Fennell, Executive Chairman of Highland, stated: "Since our capital raise in May 2012, the Company has been establishing itself as an emerging copper exploration and development company focused in northern Michigan, an area which we consider to be highly prospective. The acquisition of White Pine is complementary with our existing Keweenaw project, particularly given the extensive infrastructure in place from past operations, and is a significant step towards further establishing Highland as a leader in the region. We view this as a highly synergistic and important transaction for Highland shareholders."

## *Overview of the White Pine Project*

The Copper Range Company acquired the original White Pine mine in 1937. Subsequent drilling revealed the widespread nature of the mineralization and underground mining by room and pillar methods followed by flotation of sulfides began in 1952. Mining ceased in 1995 due largely to depressed copper prices, although significant amounts of mineralization remained, particularly to the northeast of the mine. Production from 1952 to 1995 was 198,070,985 short tons averaging 1.14% copper for approximately 4.5 billion pounds of copper. Although silver was consistently alloyed with the copper, silver was generally not recovered and was incorporated into the copper as "fire-refined" copper until an on-site electrolytic refinery was completed in 1982.

In 1995, Copper Range Company, then a subsidiary of [Inmet Mining Corp.](#), closed the White Pine mine. The total non NI 43-101 compliant in-situ resource estimated at that time was 208,207,000 short tons averaging 1.04% copper (approximately 4.3 billion pounds of copper). Of this total, 144,904,000 in-situ short tons averaging 1.02% copper for approximately 3.0 billion pounds of copper were located in a deposit northeast and separated from the old workings (Figure 2).

**Figures are available at the following link:**

[http://media3.marketwire.com/docs/912478\\_WP\\_131118\\_Fig.1\\_2.pdf](http://media3.marketwire.com/docs/912478_WP_131118_Fig.1_2.pdf).

The historic resource was estimated in October 1995 by the then White Pine chief geologist based on 526 diamond drill holes. Although the historical resources are viewed as reliable and relevant based on the information and methods used at the time they do not satisfy the requirements set out under Canadian National Instrument 43-101 ("NI 43-101").

***The resources reported herein are provided as historical data only. A qualified person has not completed the work necessary to verify the quality of the historic exploration data or to classify the historical estimate as current mineral resources or mineral reserves. The Company is not treating the historical estimate as current mineral resources or mineral reserves and the historical data should not be relied upon until they have been verified.***

## *Summary of the Transaction*

In consideration for White Pine, Highland will issue to CRC 3,000,000 of its common shares, representing 5.4% of Highland's issued and outstanding common shares. Highland will also undertake to pay to CRC an amount equal to US\$0.005 (one half of one cent) for the first 1 billion pounds of proven and probable reserves of copper and US\$0.0025 (one quarter of one cent) for each additional pound of proven and probable reserves of copper, payable in cash or in common shares of Highland, at the option of CRC. Highland will also grant to CRC a participation right pursuant to which CRC will have the right to maintain its pro rata ownership interest by participating in further issuances of common shares by Highland.

Highland and CRC will work towards executing a definitive asset purchase agreement and completing an interim closing by January 31, 2014 and a final closing by December 31, 2015. During the period between the interim and final closing (the "Interim Period"), Highland will have access to White Pine to perform exploration and other activities associated with the potential development of a mine at White Pine.

During the Interim Period, CRC will continue to fund and be responsible for the remediation and closure plan for White Pine up to a maximum of US\$2 million. Final closing will occur once Highland has compensated CRC for a US\$2.85 million financial assurance bond associated with the remediation and closure plan of White Pine in a manner that is acceptable to all parties involved, including the applicable governmental authorities. After final closing Highland will assume all post-closing environmental obligations related to White Pine.

Completion of the transaction is subject to usual terms and conditions for such a transaction, including Highland completing due diligence to its satisfaction, approval by the board of directors of CRC, completion and execution of definitive asset purchase agreement, receipt of an opinion on title satisfactory to Highland, and receipt of all required regulatory approvals including the approval of the TSX Venture Exchange.

### *Geology and Infrastructure*

White Pine is a sediment-hosted stratiform copper deposit located in Ontonagon County in northwestern-most Michigan. Mineralization of economic importance is hosted principally in the Proterozoic Nonesuch Formation, a regionally extensive sedimentary rock exposed for roughly 200 kilometers along the north side of the Keweenaw Peninsula as shown on Figure 1. Mining was focused on two well-bedded siltstone-shale sequences each two to three meters thick in the basal 20 meters of the Nonesuch Formation. Copper occurs mostly as chalcocite and contains 85 - 90 percent of the copper mined with the remainder as native copper. Silver, mostly as native silver, is present in amounts varying from 7 - 15 g/t. The mineralization at White Pine is mostly disseminated and remarkably continuous over an area known from mining and drilling to underlie an area in excess of 65 square kilometers.

The areas of past mining and unmined historic resources are shown on Figure 2 with an outline of mineral rights subject to the letter agreement.

White Pine is similar to deposits in the Central African Copperbelt, the Kupferschiefer of Germany and Poland, the Troy-type deposits of northwestern Montana, and the Copperwood deposit located 40 kilometers west of White Pine. These deposits are all characterized by strong stratigraphic control and extraordinary continuity of the mineralization over great distances.

The White Pine Project is served by excellent infrastructure, including a CN rail spur, a paved highway, a 40 MW power plant, a state-of-the-art copper refinery, a water pipeline to Lake Superior and a water processing plant.

### *Expected Work Program*

Subject to the completion of the transaction, Highland would initially conduct a drilling program to confirm the quality of the historic exploration data and reduce the spacing of the historic drill holes, which varies from 400 meters to in excess of 1,000 meters, so that mineral resources can be estimated in compliance with NI 43-101. Highland would also initiate work of a scoping nature, including metallurgical testing, infrastructure evaluation and environmental monitoring.

## ABOUT HIGHLAND

[Highland Copper Company Inc.](#) is a Canadian exploration company focused on exploring and developing copper projects on the Keweenaw Peninsula within the Upper Peninsula of Michigan, U.S.A. through its 100%-held subsidiary, Keweenaw Copper Co. Highland has approximately \$4.3 million in cash at September 30, 2013 and has 52,344,545 issued and outstanding common shares listed on the TSX Venture Exchange under the symbol 'HI'.

The technical information contained in this news release has been approved by Ross R. Grunwald, PhD., Vice president - Exploration for Highland. Dr. Grunwald is a qualified person as defined in NI 43-101.

Additional information about Highland is available on the Company's website at [www.highlandcopper.com](http://www.highlandcopper.com) and on SEDAR at [www.sedar.com](http://www.sedar.com)

## CAUTIONARY STATEMENT

*Certain statements contained in this press release constitute forward looking information under the provisions of Canadian securities laws. Such statements include without limitation: the completion of the acquisition of the White Pine Project, the Company's plans and objectives to complete a mineral resource estimate; and other statements and information regarding anticipated results regarding the Company's operations and exploration. Such statements reflect the Company's views as at the date of this press release and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements. Actual results may be materially different from those currently anticipated. Many factors, known and unknown could cause the actual results to be materially different from those expressed or implied by such forward looking statements. Such risks include, but are not limited to: the result of the due diligence investigation on the White Pine Project, the volatility of copper price; the uncertainty related to the historical resources and future exploration results, capital expenditure requirements and other costs; currency fluctuations; the availability of financing for additional capital requirements, cost of exploration and development programs; mining risks; risks associated with governmental and environmental regulation and obtaining all the necessary permits for the development of the project; and risks associated with global economic growth. The Company does not intend, and does not assume any obligation, to update these forward-looking statements and information, except as required by law. Accordingly, readers are advised not to place undue reliance on 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.*

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