

Kutcho Copper Outlines Compelling Value Opportunities at Its High-Grade Copper-Zinc Project

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- Engineering Optimizations and Exploration Targets Could Significantly Enhance Project

Vancouver, May 15, 2024 - [Kutcho Copper Corp.](#) (TSXV: KC) (OTCQX: KCCFF) ("Kutcho Copper" or the "Company") is pleased to provide a review of its accomplishments in 2023, outline its most compelling value opportunities, and looks forward to the next steps planned for 2024 at its feasibility stage, high-grade copper-zinc development project located in north-western British Columbia.

Vince Sorace, President & CEO of Kutcho Copper stated: "Kutcho Copper finished 2023 with several fundamental accomplishments, and we anticipate that 2024 will be another year of progress for the Company. We are uniquely positioned with a feasibility-stage, high-grade, low-cost copper-zinc development project located in a Tier 1 jurisdiction that has potential for significant exploration upside. With Canada now focusing on critical minerals (including copper and zinc), copper prices firmly above US\$4.00/lb (enhancing the project's potential economic performance), and copper supply struggling to keep up with increasing demand for electrification and decarbonization, we will continue to explore and expand on opportunities for the Kutcho project on our path towards a construction decision."

Corporate/Project highlights:

- Feasibility study⁽²⁾ showcasing a mine plan for a predominantly open-pit mining operation and a technically robust and capital-efficient project with a minimized footprint:
 - At US\$3.50/lb for copper (base case), an after-tax Net Present Value (NPV 7%) of C\$384 million and an Internal Rate of Return of 24.2%:
 - At US\$4.00/lb for copper, an after-tax Net Present Value (NPV 7%) of C\$536 million and an Internal Rate of Return of 30.5%:
 - At US\$4.50/lb for copper, an after-tax Net Present Value (NPV 7%) of C\$688 million and an Internal Rate of Return of 36.5%.
 - At US\$5.00/lb for copper, an after-tax Net Present Value (NPV 7%) of C\$839 million and an Internal Rate of Return of 42.3%.
- Located in northwestern British Columbia, Canada, one of the safest mining jurisdictions globally with producing mines in the region including Brucejack (Newmont Mining) and Red Chris (Newmont/Imperial Metals) as well as several advanced projects.⁽¹⁾
- Strong financial support - Wheaton Precious Metals with an agreed precious metals stream in support of mine development and a strategic shareholding.
- Existing infrastructure - on-site field camp and airstrip; 120 km of ground access to be upgraded to a haul road for concentrate transport; existing concentrate export facilities within 400 km on a paved highway.
- The location has subdued terrain and relatively lower snowfall compared to mines and projects to the west, reducing construction and operating challenges.
- Project designed to minimize, mitigate, and avoid environmental impacts, including minimising greenhouse gas emissions, backfilling the open pit, avoidance of fish-bearing streams, and treatment of contact mine water, among others.
- Defined Permitting Process - a transparent and prescribed British Columbia Environmental Assessment process, supportive First Nations, local stakeholders and Government.
- Exploration upside potential - including the potential to convert existing inferred mineral resources to indicated, potential expansion of the deposit beyond the limits of the current mineral resource, a compelling target immediately to the west of the Esso deposit, and identified blue-sky greenfields/regional exploration potential⁽³⁾ within Kutcho's mineral claims.

Significant Milestones Achieved in 2023 Include:

Since completion of the 2021 Feasibility Study ("FS"), Kutcho Copper has been attending to improvement recommendations and risk reduction studies documented in the FS. Kutcho Copper is pleased to report a number of milestones from its optimization program, including:

- Initial Capital Reduction

Kutcho Copper has completed an underground mining study to confirm that the underground mining portion of the mine plan can be deferred, compared to the FS plan, with almost no impact on NPV, IRR or payback. The new plan will have the underground operation commence in the first year of operation (as opposed to commencing at start of construction in the 2021 FS) and will operate at 930 tpd compared to the previous plan of 840 tpd. The benefit of this deferral would be to decrease the initial capital by approximately \$57 million and to reduce operational startup complexity (note all data presented is based on the 2021 cost and price basis for fair comparison).

- Metallurgical and Flotation Flowsheet Optimization and Improvements

Kutcho Copper, in partnership with PMC Laboratory (Maple Ridge, BC), has made significant progress in optimizing the flotation flowsheet that will enhance the economic efficiency of the feasibility flowsheet. This optimized flowsheet significantly reduces both the number and overall quantity of reagents required, which not only has the potential to lower operating costs but also further reduces environmental management costs and risks through having less quantity of residual reagents in the recycled process water and lower cost to purchase and transport of reagents.

The optimized rougher flowsheet employs conventional techniques to produce two distinct rougher copper concentrates. Each concentrate will be further refined using dedicated regrind circuits, specifically designed to achieve the optimal grind size required by each concentrate. This has the potential to reduce the overall regrinding requirements for the Kutcho ore. This tailored approach aims to ensure that our products meet the specifications of the global market while maintaining the high recovery rates established in our FS. The flowsheet incorporates sequential flotation, a method used at numerous other copper-zinc deposits treating massive sulphide ores, similar to those found at deposits like Prieska in South Africa and Lahanos in Turkey.

As we continue to finalize the cleaning circuit, preliminary results from the rougher flowsheet have already demonstrated recoveries on par with those outlined in the 2021 FS. This milestone marks a significant achievement in our strategy to optimize our mineral processing operations. We look forward to sharing more updates as we progress with the development of the cleaning circuit and move closer to realizing the full potential of our optimized flotation process.

- Advancing Mine Closure Details

Kutcho Copper continues to advance and refine its understanding of the closure requirements for each of the materials expected to be produced at Kutcho. Comprehensive acid rock drainage ("ARD") testing of overburden materials recently confirmed that it is not potentially acid generating ("NPAG"), which simplifies infrastructure construction decisions. Further, confirmatory static testing of pit waste initiated in 2022 was concluded, helping to refine the mine materials placement schedule and adding more confidence to the materials management process.

Exploration Update

Alongside advances in engineering studies, the Kutcho Copper Project also hosts a number of compelling exploration targets generated from an initial round of remote sensing geophysical surveys and target reviews. An initial program is planned to (a) test two targets (Esso West and Mother) with 4,100 m of drilling and (b) collect soil and rock samples and other field geologic data on other, less advanced targets to better evaluate and prioritize their potential to host new deposits. Volcanogenic massive sulphide ("VMS") mineralizing systems like Kutcho commonly host multiple deposits, and Kutcho already hosts three - Main, Sumac and Esso. Advanced targeting methods are being employed to refine the initial targeting prior to the next field season and Kutcho Copper plans to release further information on that process in the coming weeks.

Figure 1: Overall Exploration Target Isometric View

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Esso West Target

The Esso West target covers an area of 1,900 m strike by 500 m down dip and is defined by coincident ZTEM, VTEM, magnetic, and seismic anomalies that lie along strike and to the west of the high-grade Esso deposit. The target is bracketed by a total of five historic drillholes that intercepted a combination of (a) moderately to strongly sericite - pyrite altered quartz - crystals tuffs that correlate to the immediate hanging wall rocks to the Main, Sumac, and Esso deposits and (b) sericite - pyrite altered lapilli tuffs, which are indicative of the foot wall sequence below the three known deposits. However, none of these holes directly tested the Esso West target. In addition, a fence of historical drillholes that were testing for the west extension of Esso mineralization intersected the interpreted down dip eastern margin of the target and intersected semi-massive and massive sulphides in several holes, including 7.2m @ 2.0% Cu and 5.2% Zn in E094B3. Given that Esso is the highest grade of the three current deposits, the proximity of Esso West makes it a key focus of planned drill testing during 2024.

Figure 2: Esso West Target Plan View

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/3735/209161_3bad80f784400b05_003full.jpg

Figure 3: Esso West Target Morphology Isometric View*

*See news release dated February 11, 2021 for details of the Esso mineral resource estimate ("MRE"), including important required disclosures under National Instrument 43-101, as well assumptions, qualifications and exclusions used in preparing the MRE, cautionary language in respect of the inferred mineral resources and details of the Qualified Person responsible for the MRE. Additional information can be found in the Feasibility Study Technical Report dated effective November 8, 2021, which is intended to be read in its entirety.

To view an enhanced version of this graphic, please visit:

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Mother Target

Mother is a 7.5 km long, partially coincident ZTEM and VTEM target. A total of four historical drill holes have tested portions of the target and define a prospective geological environment for a potential VMS deposit(s). Two historical holes anchored on the western extents of the target intersected an interpreted felsic flow dome consisting of a combination of sericite altered quartz, quartz - feldspar and lapilli felsic tuffs, similar to the setting of the Main, Sumac, and Esso deposits. Silica exhalates with jasperoid development, and bands of magnetite and semi massive to massive sulphides occur between felsic units. These exhalates returned surface rock chip samples that ranged from 2.3% to greater than 10% Cu, 0.04% - 0.10% Zn, 15 g/t - 69 g/t Ag and 0.3 g/t - 6.2 g/t Au over widths of 2.5 to 5cm. Two drillholes located 2 km and 5 km to the east of these holes intersected more distal felsic tuffaceous volcanic rocks and mudstones. The 2 km target segment between the felsic dome and distal basin mudstones is a prime environment for hosting potential VMS-style mineralization. A preliminary ground-based geologic and sampling program is planned for 2024, prior to drill testing the target.

Figure 4: Mother exploration target

To view an enhanced version of this graphic, please visit:
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Looking ahead into 2024:

Kutcho Copper intends to showcase the Project's upside potential through:

- Advancing both near-resource and greenfields⁽³⁾ exploration targets.
- Evaluating and, if warranted, executing on a number of accretive and strategic opportunities.
- Continuing to evaluate project opportunities identified in the Feasibility Study through detailed engineering and executing on, or incorporating, accretive opportunities.
- Continuing to de-risk and advance the Project towards a production decision.

Qualified Persons

The technical or scientific information in this press release has been reviewed and approved by Andrew Sharp, P.Eng BC (Lic. No. 47907), FAusIMM, Chief Operating Officer for Kutcho Copper, who serves as a qualified person under the definition of National Instrument 43-101.

About Kutcho Copper

[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 recently completed a feasibility study on the Kutcho project and is advancing permitting with the objective of getting to a positive construction decision.

Vince Sorace
President & CEO, [Kutcho Copper Corp.](#)

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

Technical Disclosure

The material scientific and technical information in respect of the Kutcho Project in this news release is, unless otherwise indicated, based upon information contained in the technical report titled "NI 43-101 Feasibility Study Technical Report for the Kutcho Copper Project, British Columbia, Canada" dated effective November 8, 2021 and issued December 22, 2021 (the "FS" or "2021 Feasibility Study"). The 2021 Feasibility Study was prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ from the mining property disclosure rules specified in Subpart 1300 of Regulation S-K under the United States Securities Act of 1933 ("Subpart 1300") promulgated by the SEC. Accordingly, information concerning mineral deposits from the 2021 Feasibility Study set forth herein may not be comparable with information made public by companies that report in accordance with U.S. standards.

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 "advance", "de-risk", "execute", "incorporate", "accretive", "plans", "compelling", "believes", "intends", "potential", "value opportunities", "upside", variations of these words and similar expressions, or that events or conditions "will", "may", "could", "should" or "would" 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, statements and information related to the Feasibility Study; the funding, timing and results of planned exploration programs; the ability of the Company to upgrade inferred mineral resources to higher categories and, subsequently, to mineral reserves; the outcome of potential optimizations and opportunities identified in the Feasibility Study and subsequently; 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 and for general working capital purposes; changes in economic conditions or financial markets; the inherent hazards associates 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, including the environmental assessment process; the ability of the Company to conclude agreements with First Nations; 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.

(1) Reference to nearby producing mines and projects is for information purposes only, and there are no assurances that the Kutcho Project will receive similar results or that it will become an operating mine.

(2) Based on the 2021 Feasibility Study (FS) and incorporation of the amended Wheaton Precious Metals streaming arrangement. The FS is intended to be read as a whole and sections should not be read or relied upon out of context. The information in this news release is subject to the assumptions, exclusions and qualifications contained in the FS. See "Cautionary Note" at the end of this news release.

(3) The blue-sky greenfields and regional exploration potential are considered early-stage exploration projects which do not contain any mineral resources as defined by NI 43-101. There has been insufficient exploration to define a mineral resource for the targets disclosed. It is uncertain if further exploration will result in these targets being delineated as a mineral resource.

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