

Curis Completes \$38 Million Financing and Qualifying Transaction with PCI-1 for TSX Venture Exchange Listing

25.11.2010 | [CNW](#)

VANCOUVER, Nov. 25 /[CNW](#)/ - [PCI-1 Capital Corp.](#) (the "Company") (TSX-V: ICC.P) announces that it has completed a qualifying transaction (the "Qualifying Transaction") with Curis Resources Ltd. ("Curis") in accordance with TSX Venture Exchange Inc. (the "TSX-V") Policy 2.4, and will resume trading on the TSX-V under the symbol ICC on November 26, 2010. The Company will conduct business in Canada and the United States under the names Curis Resources Ltd. and Curis Resources (Arizona) Inc., respectively, and intends to change the Company's legal name to "Curis Resources Ltd." and update the TSX-V stock symbol to CUV in the near future.

Curis President & CEO Michael McPhie confirmed that the Company has completed a \$38 million private placement financing to complete the purchase and advance the development of its principal asset - the Florence Copper Project in central Arizona.

"We are very pleased with the global financial market's strong interest in Curis Resources Ltd. and its potential to become a significant North American copper producer in the near-term," McPhie said. "We have now successfully transitioned to become a publicly traded company with a superior asset base, a robust treasury, and a management team that clearly has the confidence of its international shareholders. Today's announcement sets the foundation for Curis to achieve significant financial and project success in the immediate future."

Successful Completion of Transaction and Financing

On November 24, 2010, the Company completed the Qualifying Transaction, which included a brokered and non-brokered private placement of 18,973,252 common shares of the Company (the "Common Shares") at a price per Common Share of \$2.00 for gross proceeds of approximately \$38 million (the "Financing"). A syndicate of agents led by Salman Partners Inc. with Wellington West Capital Markets Inc. and Dahlman Rose and Company LLC (the "Agents") acted in connection with the brokered portion of the Financing, on a best efforts basis. In consideration for their services, the Company paid the Agents a cash commission equal to 6% of gross proceeds raised under the brokered offering and issued to the Agents broker warrants equal to 3% of the number of Common Shares issued under the brokered offering. The Agents were also compensated for their reasonable expenses in connection with the Financing.

In connection with the Qualifying Transaction, the Company has issued 32,600,001 Common Shares to the original shareholders of Curis. Furthermore, Curis has issued 1,603,889 Common Shares and will pay \$8,000,000 in cash to a vendor of a portion of the property comprising the Florence Copper Project, in full and final settlement of the purchase consideration payable for the acquisition of that property. The total number of shares issued on the closing date of the Qualifying Transaction will be 56,012,142, with a further 1,745,000 securities reserved for future issuance on the exercise of options or warrants. Of these, the 32,600,001 Common Shares issued to the former shareholders of Curis under the Financing, and 1,193,000 founders' shares bought by newly appointed principals of the Company and other parties designated by Curis have been deposited into escrow and will be released pursuant to an escrow agreement between the Company and Computershare Investor Services Inc., as the escrow agent, on the basis of 25% of the initial escrowed amount on each of the 6, 12, 18 and 24 month anniversaries of the date of closing. All of the Common Shares issued in connection with the Financing are free trading under applicable Canadian and United States securities laws.

The Company's immediate planned corporate goals are to i) optimize engineering for the Florence Copper Project, ii) undertake detailed economic and project development planning, iii) secure all major project permits and approvals for the project by Q4 2011, and iv) initiate a Phase 1 mine development program by year-end 2011.

Florence Copper Project

The Florence Copper Project is a lowcost, copper development project located in central Arizona, and is

owned 100% by the Company. The project site hosts a porphyry copper deposit that is amenable to in-situ copper recovery (ISCR) and industry-standard solvent extraction and electrowinning (SX-EW) copper production. The Florence deposit comprises an estimated 429.5 million tons of Measured and Indicated copper oxide resources, grading 0.331% total copper (TCu) and containing 2.85 billion lb copper (at a 0.05% TCu cutoff), and an additional 92.8 million tons of Inferred resources grading 0.267% TCu and containing an additional 496 million lb copper (at a 0.05% TCu cutoff)¹.

Under previous owner BHP Copper, the Florence Copper Project advanced to a Pre-feasibility Study-level of assessment in the late 1990s, and achieved all major operating permits. The Company is now amending and updating these operational permits through a well-defined and time limited amendment process with the goal of initiating copper production in mid-2012.

"We are well positioned to achieve our corporate goals of establishing the Company and the Florence Copper Project as a next-generation copper producer over the next 20 months," confirmed McPhie. "Over the course of 2012, we expect to drill and activate an initial in-situ copper recovery well-block and construct and commission an SX-EW plant to produce 99.999% pure copper cathode at the Florence Copper Project site. This will be followed by detailed engineering with the goal of advancing the project to full commercial production by the 4th quarter of 2013."

A 43-101 compliant, Preliminary Economic Assessment (PEA) of the Florence Copper Project prepared by SRK Consulting (U.S.) Inc. was completed in October 2010². The study indicates: an after-taxes and royalties Net Present Value (NPV) of US\$360 million for the project using a 7.5% discount rate; an Internal Rate of Return (IRR) of 30%; and, capital payback early in Year 4 of a projected 19-year mine life. The reported economics are based on a US\$2.50/lb copper price and an average design production rate of 76.5 million pounds of copper cathode per year. At a US\$3.00/lb long-term copper price the NPV increases to \$550 million and the project has an IRR of 39%. Direct operating costs are estimated at US\$0.68/lb copper. Initial capital costs are estimated at US\$237.8 million. Additional details are appended to this release. A technical report further documenting the results of the PEA can be found at www.curisresources.com and on the Company's profile at www.sedar.com.

The results of the PEA are preliminary in nature and contemplate a resource of 429 million tons of Measured and Indicated and 93 million tons of Inferred resources. Inferred mineral resources are considered too speculative geologically to have economic considerations applied that would enable them to be categorized as mineral reserves; therefore, there is no certainty that the results of the preliminary economic assessment will be realized.

"Curis Resources Ltd, its asset base, senior management and corporate strategy have all received a tremendous vote of confidence from sophisticated international investors during the most recent round of financing," McPhie said. "We are buoyed by that vote of confidence, and fully expect to meet our shareholders' expectations in the near-term with the timely and successful advancement of the Florence Copper Project."

About Curis Resources Ltd.

Curis Resources Ltd. is a mineral development company, the major shareholder of which is Hunter Dickinson Inc. (HDI). Curis is focused on the acquisition, development and operation of high-quality next-generation copper properties in progressive jurisdictions around the world.

About HDI

Hunter Dickinson Inc. (HDI) is a diversified, global mine development company with a 25-year history of mineral development success. From its head office in Vancouver, Canada, HDI applies its unique strengths and capabilities to acquire, develop, operate and monetize mineral properties that provide consistently superior returns to shareholders.

For further details on the Company and Curis Resources Ltd. please visit www.curisresources.com or contact Susie Bell, Manager of Investor Relations, at (604) 684-6365 or within North America at 1-800-667-2114.

Michael McPhie
President & CEO

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.

Forward Looking Statements and Other Cautionary Factors

All information contained in this press release relating to the contents of the Preliminary Economic Assessment or Preliminary Assessment, including but not limited to statements of the project's potential and information under the heading "Parameters and Results" are "forward looking statements" within the definition of the United States Private Securities Litigation Reform Act of 1995. The Preliminary Assessment was prepared to broadly quantify the project's capital and operating cost parameters and to provide guidance on the type and scale of future project engineering and development work that will be needed to ultimately define the project's likelihood of feasibility and optimal production rate. It was not prepared to be used as a valuation of the project nor should it be considered to be a pre-feasibility study. Although a number of capital cost areas present a higher (pre-feasibility level) degree of accuracy, in particular process facilities, down-hole drilling, in-hole components and surface gathering facilities, and some operating costs, in particular process facilities, are also estimated at a greater level of accuracy than a normal Preliminary Assessment level, the well field operating costs are more variable. This could materially and adversely impact the projected economics of the project.

The following are the principal risk factors and uncertainties which, in management's opinion, are likely to most directly affect the conclusions of the Preliminary Assessment and the ultimate feasibility of the project. The mineralized material at the Florence Copper Project is currently classified as Measured, Indicated and Inferred resources. Although Measured, Indicated, and Inferred resources were used in the conceptual production plan, these are not mineral reserves. Final feasibility work has not been done to confirm the mine design, mining methods, and processing methods assumed in the Preliminary Assessment. Final feasibility could determine that the assumed mine design, mining methods, and assumed processing rates are not correct. Construction and operation of the mine and processing facilities depends on securing environmental, land use and other permits on a timely basis. Although the project was permitted historically, and the Company is currently updating and amending these permits through a well-defined amendment process, there can be no assurance that required permits can be secured or secured on a timely basis. Data is incomplete and cost estimates have been developed in part based on the expertise of the individuals participating in the preparation of the Preliminary Assessment and on costs at projects believed to be comparable, and not based on firm price quotes. Costs, including design, procurement, construction, and on-going operating costs and metal recoveries could be materially different from those contained in the Preliminary Assessment. There can be no assurance that mining can be conducted at the rates and grades assumed in the Preliminary Assessment. The Preliminary Assessment assumes specified, long-term prices levels for copper. Historically, prices for copper have been volatile, and the Company has no control of or influence on the price, which is determined in international markets. There can be no assurance that the price of copper will continue at current levels or that they will not decline below the prices assumed in the Preliminary Assessment. The project will require major financing, probably a combination of debt and equity financing. Interest rates are at historically low levels. There can be no assurance that debt and/or equity financing will be available on acceptable terms. A significant increase in costs of capital could materially and adversely affect the value and feasibility of constructing the project. Other general risks include those ordinary to large construction projects including the general uncertainties inherent in engineering and construction cost, the need to comply with generally increasing environmental obligations, and accommodation of local and community concerns.

Information Concerning Estimates of Measured, Indicated and Inferred Resources

This news release uses the terms "measured resources", "indicated resources" and "inferred resources". The Company advises investors that although these terms are recognized and required by Canadian regulations (under National Instrument 43-101 Standards of Disclosure for Mineral Projects), the U.S. Securities and Exchange Commission does not recognize them. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for Preliminary Assessment as defined under 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

1 Based on a 2010 estimate by Russell White, RG, of SRK Consulting (U.S.) Inc., an independent qualified person, and documented in the October 2010 Technical Report.

2 The October 2010 Technical Report is authored by independent qualified persons Allan V. Moran, RG, Corolla K Hoag, RG, Terry McNulty, PE, and Russell White, RG, of SRK Consulting (U.S.) Inc. who have reviewed the technical content of this release.

Preliminary Economic Assessment (PEA)

Summary of Parameters and Economic Model Results

Historical detailed engineering and analysis by BHP Copper in the period 1996-2000 generated information sufficient to achieve Pre-feasibility level study for the Florence Copper Project as an in-situ copper recovery (ISCR) operation. BHP operated a successful ISCR production test at the Florence site in 1998 which successfully confirmed the viability of utilizing in-situ production techniques for extracting copper. The production test and an extensive groundwater monitoring program over the past 13 years have also conclusively demonstrated that ISCR techniques will have no adverse impacts to local or regional groundwater quality.

SRK, in conjunction with Curis, have re-evaluated the Florence Copper Project data with current technology and cost estimates to define a robust project. The PEA utilizes the Measured, Indicated, and Inferred resources for the Florence Copper Project as estimated by SRK in 2010. It assumes industry-standard ISCR well-field injection and recovery technology for the in-situ extraction of oxide copper, and an SX-EW copper recovery plant to produce cathode copper.

A detailed outline of the PEA results is shown below for the base case at \$2.50/lb copper as well as for \$3.00/lb copper prices.

Description	Value \$/lb-Cu	Value
Copper Price	\$2.50 - \$3.00	
Copper Production (lb)	1,236,149,000 - 1,236,149,000	
Total Operating Cost	870,211,000 \$0.704	870,211,000
Operating Margin	1,969,119,000 \$1.593	2,540,348,000
Income, City and State Tax	(469,882,000) (0.360)	(660,279,000)
Initial Capital Costs	237,776,000 - 237,776,000	
Cash Flow	\$817,175,000 - \$1,198,007,000	
Internal Rate of Return	30% - 39%	
Net Present Value using 7.5% discount rate	\$359,830,000 - \$550,055,000	

SRK completed the PEA as a study of the ISCR operability of the Florence Copper Project, utilizing industry standard criteria. However, it should be recognized that a number of capital cost areas within the PEA present a higher (Pre-feasibility level) degree of accuracy. In particular, process facilities, down-hole drilling, in-hole components and surface gathering facilities have a higher degree of accuracy with respect to costs. In terms of operating costs, process facilities are also estimated at a greater level of accuracy than a normal PEA level, whereas the wellfield operating costs are more variable. Given the nature of how this project will be developed and the scale of work and timing involved, the Company expects to achieve substantial reductions in costs in the well-field installation and operations as outlined in the PEA when contracts are actually tendered.

For further information:

For further details on the Company and Curis Resources Ltd. please visit www.curisresources.com or contact Susie Bell, Manager of Investor Relations, at (604) 684-6365 or within North America at 1-800-667-2114.

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/102546--Curis-Completes-38-Million-Financing-and-Qualifying-Transaction-with-PCI-1-for-TSX-Venture-Exchange-Listing.ht>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).