

LSC Lithium Corporation to acquire strategic tenements from Orocobre Ltd. and Advantage Lithium Corporation

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And consolidate control of the centre of the high grade lithium Salinas Grandes Salar

TORONTO, March 29, 2017 - [LSC Lithium Corporation](#) (the "Company" or "LSC") (TSXV: LSC) is pleased to announce that it has entered into two strategic agreements with lithium producer [Orocobre Limited](#) ("Orocobre") and lithium explorer and developer [Advantage Lithium Corporation](#) ("Advantage") to increase its land package on the Salinas Grandes Salar bringing LSC's portfolio of lithium brine salars to approximately 295,000 hectares, which represents extensive lithium prospective salar holdings in Argentina.

LSC's Salinas Grandes tenements will total approximately 79,031 hectares and cover 87% in the centre of the Salinas Grandes Salar in the Salta province and 45% in the Jujuy province, pending completion of the transactions.

LSC will control approximately 295,000 hectares of lithium bearing tenements making it one of the leaders in lithium exploration and development in its progression as an important emerging lithium producer in Argentina.

LSC has entered into the following agreements:

- An agreement made on March 28, 2017 (the "LSC-Orocobre Agreement") among LSC, its Argentine subsidiary, Orocobre, South American Salars SA ("SAS") and Borax Argentina SA ("BA") pursuant to which LSC will acquire all tenements and other mineral rights held by Orocobre, SAS and BA (collectively, the "Orocobre Group") located in the Salinas Grandes Salar, in Salta and Jujuy provinces, Argentina, covering approximately 32,727 hectares (subject to reduction in certain circumstances described below); and
- An agreement made on March 28, 2017 (the "LSC-Advantage Agreement") between LSC and Advantage pursuant to which LSC will be granted the right to purchase Advantage's option over the 1,471 hectare Stella Marys Project located in the Salinas Grandes Salar in Salta province, Argentina.

Upon completion of the Orocobre and Advantage transactions, together with LSC's existing tenements, LSC will control approximately 79,031 hectares, which cover 87% in the centre of the Salar in Salta province and 45% of the centre of the Salar in Jujuy province. In the Jujuy province, a large portion of the Salar is also controlled by the cooperatives.

LSC's portfolio of properties are in close proximity to Enirgi Group Corporation's ("Enirgi Group") planned future Regional Processing Facility at Salar del Rincón. LSC and Enirgi Group are strategically cooperating on lithium development in Northern Argentina pursuant to a Relationship Agreement whereby, among other things, the parties will examine the most economic solution to process LSC's brines which may include supplying LSC's brines for processing at Enirgi Group's planned facility. LSC anticipates brine samples from the various projects will be available for initial metallurgical test work at Enirgi Group's demonstration plant on the Salar del Rincón, following its anticipated commissioning. LSC has a significant advantage as a result of its relationship with Enirgi Group in that its capital requirements would be significantly lower than other operators requiring capital intensive solar evaporation ponds.

ACQUISITION OF SALINAS GRANDES LITHIUM SALAR TENEMENTS

Following the closing of the acquisition of approximately 34,198 hectares from Orocobre and Advantage, LSC will control approximately 79,031 hectares in the centre of the Salar and alluvial fans of the very important high grade lithium Salinas Grandes Salar in both Salta and Jujuy provinces.

As a result of the acquisition, LSC plans to conduct two separate exploration and development programmes both in Salta and Jujuy provinces as each province has its own regulatory framework.

On the Salta side, LSC will hold tenements covering approximately 46,881 hectares in the centre of and in

the alluvial fans of the Salar covering approximately 12,262 hectares in the centre of the Salar which gives LSC control of 87% of the Salta side of the Salar surface.

On the Jujuy side, LSC will hold tenements covering approximately 32,150 hectares in the centre of and in the alluvial fans of the Salar covering approximately 6,100 hectares in the centre of the Salar which gives LSC control of 45% of the Jujuy side of the Salar surface.

(Refer to Figure 1: LSC Tenements in Salinas Grandes Salar)

http://photos.newswire.ca/images/20170329_C6054_PHOTO_EN_920637.jpg

Since it will be the largest owner of tenements in Salinas Grandes, LSC anticipates that once approvals have been given to explore and exploit the very large lithium deposits in Salinas Grandes that it will be positioned to become the sole operator. Subject to having successfully passed through the necessary consultation process, LSC intends to deploy different exploration works, including geophysics to understand the main features of the basin and aquifers, complete shallow auger sampling, and perform pump tests from trenches in order to evaluate the performance of the higher 15 m of the Salar surface. Controlling the vast majority of the Salar's surface allows this work to be possible. The initial exploration program for tenements on the Salta side of Salinas Grandes is budgeted at \$750,000 over the next 12 months. The budget for the initial exploration work on the Jujuy side of Salinas Grandes is estimated at \$600,000, also over the next 12 months. The timing and budget for follow-on work programs will be developed based on the results of the initial phase of exploration. LSC has sufficient funds on hand to support the planned exploration activities.

Community issues are critical in the Salinas Grandes Salar and LSC will work closely with the communities and the respective Governments. LSC intends to go through the necessary consultation processes, obtain approval and cooperation for the proper development of the Salar with minimal environmental impact, and to provide assurances to the local communities that salt harvesting and borates production will not be affected.

LSC sees the Salinas Grandes Salar as a very important strategic asset as it continues to consolidate the highly fractured ownership of tenements in this very large lithium rich basin which straddles both Salta and Jujuy provinces each with their own development criteria. LSC anticipates that Salinas Grandes will be a core developmental asset of LSC along with its tenements in the Salars of Pozuelos, Pastos Grandes, Rio Grande and Jama.

TERMS OF LSC ACQUISITION OF SALINAS GRANDES TENEMENTS

Pursuant to the LSC-Orocobre Agreement, LSC will acquire (a) all tenements held by the Orocobre Group located in the Salinas Grandes Salar, in Salta and Jujuy provinces, Argentina, (the "Salinas Grandes Tenements") and (b) certain cateos covering approximately 19,946 hectares located in JuJuy province, as well as (c) a royalty held by Orocobre in certain tenements located on the Salar de Pozuelos in Salta province owned by LitheA Inc. (which company is being acquired by LSC as disclosed in its news release dated March 15, 2017), and (d) certain usufruct rights to extract borates located in Salinas Grandes Salar.

As consideration, LSC will:

- a. transfer to Orocobre 3 tenements owned by LSC in the Salar de Olaroz located in Jujuy province covering approximately 3,821 hectares;
- b. pay to Orocobre \$4 million at closing;
- c. pay to Orocobre \$1 million on each of the 1st, 2nd and 3rd anniversaries of closing; and
- d. grant to Orocobre a 2% royalty on the brine concentrate produced from Salinas Grandes Tenements, calculated using the same methodology applied by Orocobre and its affiliates for the calculation of the royalties paid by Orocobre or its affiliates to the provincial government of Jujuy for Orocobre's last two fiscal years (the "Salinas Grandes Royalty") regardless of any retroactive or future changes to such methodology made after December 31, 2016.

The cash consideration may be subject to reduction of up to \$1 million in the event that valid title to certain mineral interests covering up to 3,439 hectares cannot be transferred to LSC within three years following closing.

In addition, the Orocobre Group will agree to: (a) a 10 year exclusion area covering the 10 km area from the external perimeter of any of the Salinas Grandes Tenements, and (b) a 10 year non-interference zone respecting all properties held by LSC located south of Río Las Burras.

TERMS OF THE ACQUISITION OF STELLA MARYS PROJECT

Pursuant to the LSC-Advantage Agreement, LSC has agreed to acquire from Advantage its option over the 1,471 hectare Stella Marys Project located in the Salinas Grandes Salar, in Salta province, Argentina (the "MSR Option"). Advantage currently holds the MSR Option pursuant to an agreement with Minera Santa Rita SRL ("MSR") dated October 27, 2016 (the "MSR Option Agreement").

LSC will acquire the MSR Option by:

- a. making aggregate cash payments of approximately \$740,000 to Advantage in reimbursement of option payments and related expenses previously paid by Advantage pursuant to the MSR Option Agreement;
- b. issuing 256,520 LSC common shares to Advantage as reimbursement for the 600,000 Advantage shares issued by Advantage to MSR.

LSC will thereafter have the right to acquire the Stella Marys Project pursuant to the exercise of the MSR Option prior to September 21, 2017 by:

- a. making a cash payment of \$650,000 to MSR;
- b. issuing to Advantage a number of LSC common shares (calculated on the basis of the proportionate closing prices of the LSC common shares and Advantage common shares on the trading day preceding the date of closing of the MSR Option exercise), as reimbursement for the issuance by Advantage of the 900,000 Advantage common shares to MSR in connection with the exercise of the MSR Option; and
- c. entering into a royalty agreement with Advantage with respect to a 2% royalty on the brine concentrate produced from the Stella Marys Project that will be granted by LSC to Advantage, calculated using the same methodology as used for the Salinas Grandes Royalty.

In addition, Advantage has agreed to: (a) a 10 year exclusion area covering the 10 km area from the external perimeter of any of the Salinas Grandes Tenements, and (b) a 10 year non-interference zone respecting all properties held by LSC located south of Rio Las Barros.

The completion of this transaction is subject to the approval of the TSXV.

Closing of Transactions

The closings of the transactions with Orocobre and Advantage are at arm's length and are subject to satisfaction of various conditions precedent, which are typical of transactions of this nature, as well as the simultaneous closing of each transaction. These closings are scheduled for completion on or about April 30, 2017.

Qualified Person/Data Verification

The scientific and technical information included in this press release related to LSC tenements is based upon information prepared and approved by Donald H. Hains, P.Geol. Donald H. Hains is a qualified person, as defined in NI 43-101 and is independent of LSC, Orocobre and Advantage. No Qualified Person has reviewed or verified any information in this press release related to the Orocobre tenements to be acquired by LSC.

ABOUT LSC LITHIUM CORPORATION:

LSC Lithium is an emerging lithium producer that has amassed a large portfolio of prospective lithium rich salars. LSC is focused on developing its tenements located in five salars: Pozuelos (subject to completion of previously announced transaction), Pastos Grandes, Rio Grande, Salinas Grandes and Jama. All LSC tenements are located in the "Lithium Triangle," an area at the intersection of Argentina, Bolivia and Chile where the world's most abundant lithium brine deposits are found. Pending the completion of announced transactions, LSC Lithium will have a land package portfolio totaling over 295,000 hectares, which represents extensive lithium prospective salar holdings in Argentina.

Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking information. These statements

relate to future events or future performance, including statements as to the following: the future closing and timing of acquisition of the Orocobre and Advantage Lithium tenements, the future consideration payable to acquire the tenements, the amount of hectares and expected control by LSC of the tenements on Salinas Grande after closing of the acquisitions, the ability to become the sole operator on Salinas Grande, the ability to secure necessary community approvals and support for exploration and development, the timing and ability to advance the Salinas Grandes tenements to feasibility study level, the timing for testing brines at Enirgi Group's Salar del Rincón demonstration plant, the definition of any mineral resources or mineral reserve estimates pursuant to NI 43-101 on our properties, the timing for potential future production at our properties, the use and application of Enirgi Group's Direct Xtraction Process Technology at our properties, completion of work programs on our properties, and the ongoing strategic relationship with Enirgi Group. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on LSC's current belief or assumptions as to the outcome and timing of such future events. Whether actual results and developments will conform with LSC's expectations is subject to a number of risks and uncertainties including factors underlying management's assumptions, such as risks related to: title of the Orocobre and Advantage Lithium tenements and their ability to be transferred on closing; exploration and the establishment of resources and reserves on the Salinas Grande tenements or other LSC properties; the application and future licensing of new technologies; successful commissioning of the Salar del Rincón demonstration plant; timing, permitting, funding and construction of a regional processing facility at the Salar del Rincón by Enirgi Group and the ability of LSC to fast-track production from its own properties by supplying brine to such a facility; securing necessary community group support and approval; volatility in lithium prices and the market for lithium; exchange rate fluctuations; volatility in LSC's share price; the requirement for significant additional funds for development that may not be available; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; regulatory, political or economic developments in Argentina or elsewhere; litigation; title, permit or license disputes related to interests on any of the properties in which the Company holds an interest; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the Company's properties; risks and hazards associated with the business of development and mining on any of the Company's properties. Actual future results may differ materially. The forward-looking information contained in this release is made as of the date hereof and LSC is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein. For more information see the Company's filing statement on SEDAR at www.sedar.com.

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The TSX Venture Exchange Inc. has neither approved nor disapproved the contents of this press release.

All dollar amounts are in U.S. dollars unless otherwise indicated.

For further information:

[LSC Lithium Corporation](#)

Jessica Helm, VP, Corporate Communications and Investor Relations
Suite 3001, 1 Adelaide Street East
Toronto, Ontario M5C 2V9
(416) 867 9298
Email: info@lslithium.com
Web: lslithium.com

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