

Altius Reports Acquisition of Kami Iron Ore Project by Champion Iron

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[Altius Minerals Corp.](#) (ALS:TSX) (ATUSF: OTCQX) (Altius; or the Corporation) reports that it has been informed by Deloitte Restructuring Inc., the Receiver overseeing the disposition of assets formerly held by [Alderon Iron Ore Corp.](#) (Alderon), that an acquisition proposal by [Champion Iron Ltd.](#) (the Acquisition) has been approved by the Supreme Court of Newfoundland and Labrador following a competitive bidding process. The primary asset involved in the Acquisition is the advanced stage Kamistatusset (Kami) iron ore project located in the Labrador Trough geological belt in western Labrador.

Altius's Project Generation team completed an initial drilling program that broadly outlined the Kami high-grade iron ore deposits in 2008. Altius subsequently sold the project to Alderon in exchange for a significant equity shareholding in the company and retention of a direct project interest through a 3% gross sales royalty, which has not been impacted by the receivership process. Altius then acquired additional Alderon equity in early 2018 through a purchase from a third-party shareholder and soon after that also became a minority participant in a Sprott Private Resource Lending LP secured debt funding syndicate.

Under the Acquisition, Altius will receive 600,000 Champion Iron shares as consideration for the sale of its portion of secured debt of Alderon. It also expects to receive a portion of the \$15 million cash consideration and the future production-based payments stemming from its 37.3% equity holding in Alderon. The amount of cash consideration will be dependent on the Receiver's approval process for any additional creditor claims, which will rank in priority over any amounts payable to equity holders. This process remains ongoing, but the Receiver has stated that it believes there will be a substantial recovery to Alderon shareholders.

Closing of the Acquisition is subject to the consent of the Ministry of Industry, Energy and Technology of Newfoundland and Labrador, as well as other customary closing conditions. The Acquisition is expected to be completed in the fourth quarter of calendar 2020.

Brian Dalton, Altius CEO commented, "We are excited to learn that the Kami project has found its way to a new owner that has the proven operating experience and financial depth necessary to further its advancement to potential production. The project is located adjacent to available infrastructure and features high-quality iron ore of a type that is in increasing global demand owing to its low impurities and inherently lower emissions profile during the steel making process. In addition to achieving a recovery on our loan principal and benefitting from our significant equity interest in Alderon, we are excited about the renewed possibility for development of the Kami project and the implications of that relative to our fully preserved royalty interest."

He then added, "We are also pleased that communities in the Labrador West region, various aboriginal groups and indeed the Provinces of Newfoundland and Labrador and Quebec can now gain a renewed hope in the future economic and social benefits that development of the Kami project would entail and call upon all stakeholders to work diligently together to ensure this outcome. With a strong spirit of cooperation and the inherent positive economic and global sustainability features of the Kami project we share optimism for a positive result and pledge our ongoing support."

About Altius

Altius's strategy is to create per share growth through a diversified portfolio of royalty assets that relate to long life, high margin operations. This strategy further provides shareholders with exposures that are well aligned with sustainability-related global growth trends including the electricity generation transition from fossil fuel to renewables, transportation electrification, reduced emissions from steelmaking and

increasing agricultural yield requirements. These each hold the potential to cause increased demand for many of Altius's commodity exposures including copper, renewable based electricity, several key battery metals (lithium, nickel and cobalt), clean iron ore, and potash. Altius has 41,464,462 common shares issued and outstanding that are listed on Canada's Toronto Stock Exchange. It is a member of both the S&P/TSX Small Cap and S&P/TSX Global Mining Indices.

Forward-Looking Information

This news release contains forward-looking information. The statements are based on reasonable assumptions and expectations of management and Altius provides no assurance that actual events will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Although Altius believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those projected. Readers should not place undue reliance on forward-looking information. Altius does not undertake to update any forward-looking information contained herein except in accordance with securities regulation.

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Kami Iron Ore asset sold out of restructuring to Champion Iron with Altius royalty intact

Contact

Flora Wood
Email: Fwood@altiusminerals.com
Tel: 1.877.576.2209
Direct: +1(416)346.9020

Chad Wells
Email: CWells@altiusminerals.com
Tel: 1.877.576.2209

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