

World Copper Signs Definitive Agreement for the Acquisition of Cardero Resource Corp.

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Vancouver, September 20, 2021 - [World Copper Ltd.](#) (TSXV: WCU) (OTCQB: WCUFF) ("World Copper" or the "Company") announces that, further to its news releases of April 20, and June 9, 2021, it has entered into a definitive agreement (the "Arrangement Agreement") with [Cardero Resource Corp.](#) ("Cardero") and 1302172 B.C. Ltd., a wholly-owned subsidiary of World Copper ("Subco"), whereby World Copper and Cardero have agreed to combine their respective businesses by way of a plan of arrangement (the "Arrangement"), enhancing World Copper's portfolio of copper mineral projects through the acquisition of Cardero's Zonia copper oxide project located in central Arizona ("Zonia").

Nolan Peterson, World Copper's CEO stated, "The signing of the definitive agreement with Cardero is another milestone for World Copper and one that will bring significant value to our shareholders. Our team sees upside potential at Zonia that has, to this point been unrealized, including a low-cost development and permitting path. We will apply the same knowledge and expertise to Zonia, as we have to our Escalones property, and work to advance and de-risk the project going forward."

Commercial Terms

The Arrangement Agreement replaces and supersedes the previously announced letter agreement dated April 13, 2021, as amended (the "Letter Agreement"), between World Copper and Cardero (see news releases dated April 20, and June 9, 2021). The Arrangement will be effected by way of a court-approved plan of arrangement under the British Columbia Business Corporations Act (the "Act") and must be approved at a meeting of the Cardero shareholders, which meeting is expected to be held on or before November 30, 2021 (the "Cardero Meeting"). The board of directors of Cardero, with Robert Kopple and Hendrik Van Alphen abstaining, has unanimously resolved to recommend that its shareholders vote their securities in favour of the Arrangement.

Subject to acceptance of the TSX Venture Exchange (the "TSXV"), the parties have agreed to the following commercial terms, inter alia, for the Arrangement, all on the terms and subject to the conditions of the Arrangement Agreement:

1. Subco will amalgamate with Cardero and continue as one corporation under the Act, which corporation will be a wholly-owned subsidiary of World Copper.
2. The common shares of Cardero outstanding at the closing of the Arrangement (the "Closing") will be exchanged for common shares of World Copper such that, upon completion of the Arrangement the current shareholders of World Copper will hold, collectively, 60% of the issued and outstanding shares of World Copper, and the former Cardero shareholders will hold, collectively, 40% of the issued and outstanding shares of World Copper (the "Exchange Ratio"), prior to giving effect to the Financing (as defined below).
3. The common share purchase warrants of Cardero outstanding at the Closing will be exchanged, on the basis of the Exchange Ratio, for common share purchase warrants of World Copper (the "Replacement Warrants") entitling the holders to purchase common shares of World Copper.
4. The outstanding and unexercised stock options of Cardero at the Closing will be cancelled.
5. World Copper will assume certain debt of Cardero owed to Robert Kopple and/or entities associated with him (the "Kopple Entities"), in the aggregate amount of (i) approximately \$2,329,163 in loans as at February 18, 2021, including interest accruing thereon; and (ii) approximately \$1,019,836 in outstanding dividends on preferred shares in the capital of Cardero formerly held by the Kopple Entities at an interest rate of 8% per annum.

6. World Copper will grant to Robert Kopple or an entity controlled by him (the "Royalty Holder") an option (the "Royalty Option") to acquire a 1% net smelter returns royalty (the "Royalty") on Zonia. The Royalty Option may be exercised by the Royalty Holder, in its sole discretion, by paying to World Copper an amount equal to approximately \$1.41 million. At the election of World Copper or the Royalty Holder, 100% of the Kopple Royalty can be bought-out by World Copper in common shares of World Copper, each issued at a deemed price equal to the volume-weighted average offering price of all tranches of the Financing (as defined below), for an approximate estimate buy-out amount of \$3.00 to \$3.87 million.

In addition, upon the Closing, the board of directors of World Copper will be reconstituted such that two of its directors as of the Closing are nominees of Cardero.

In conjunction with the Arrangement and prior to the first anniversary of the Closing, World Copper will conduct a financing or financings (collectively, the "Financing"), in the aggregate gross amount of at least \$10,000,000 (inclusive of the gross proceeds from the exercise of the Royalty Option), on the terms and at such price as World Copper may determine (see news release dated September 7, 2021). The net proceeds from the Financing are expected to be used in connection with drilling programs on World Copper's Escalones and Cristal projects, and for general working capital purposes.

Completion of the Arrangement is subject to the satisfaction of customary conditions precedent, including: (i) the receipt of all necessary court and regulatory approvals, authorizations and consents, including by the Supreme Court of British Columbia and the TSXV in respect of the Arrangement; (ii) receipt of all necessary corporate and shareholder approvals by the parties; and (iii) there being no material adverse change in the business or operations of any of the parties from the execution of the Letter Agreement until the closing of the Arrangement; and (iv) that all representations and warranties of the parties will be true and correct as of the effective date of the Arrangement. The Arrangement involves a Non-Arm's Length Party (as defined in TSXV policies) insofar as Hendrik van Alphen, the Chairman of World Copper, is also a director of Cardero.

The Arrangement Agreement includes a non-solicitation, and a superior proposal provision on the part of both parties (subject to customary fiduciary-out provisions). In the event of a superior proposal for either party, the other party has the right to either match such superior proposal or receive a termination fee in the amount of \$250,000 if the other party terminates the Arrangement Agreement for the purpose of accepting the superior proposal.

Additional details of the Arrangement will be included in a management information circular of Cardero that is expected to be provided to Cardero shareholders via notice and access by October 15, 2021, in connection with the Cardero Meeting, and made available on SEDAR under Cardero's profile at www.sedar.com.

About Zonia

Zonia is located in the Walnut Grove Mining District, Yavapai County, Arizona, and consists of 261 patented (96) and unpatented (185) mineral claims, and 566.85 acres of surface rights acquired from the State of Arizona, all totaling 4,279.55 acres.

Zonia is a near-surface, copper-oxide resource and a brownfields site having already been mined in the late 1960s and '70s. The project has been significantly de-risked with over 50,000 metres of drilling completed to date and with substantial amounts of detailed engineering completed. Zonia contains Measured resources of 15.6 million short tons grading 0.43% copper (129.3 million pounds of copper), Indicated resources of 61.4 million short tons grading 0.31% copper (380.6 million pounds of copper) and Inferred resources of 27.2 million short tons grading 0.28% copper (154.6 million pounds of copper) at a 0.2% total copper cut-off grade. A preliminary economic assessment dated April 17, 2018, effective date March 22, 2018 (the "PEA") was prepared by Global Resource Engineering Ltd., which suggests that the project can be advanced utilizing low-cost open pit mining and heap leach with SX-EW processing to produce pure copper cathode (a copy of the PEA technical report is available on Cardero's SEDAR profile at www.sedar.com).

Zonia was pre-stripped during mining in the late 1960s and 1970s so that, as described in the PEA, the strip ratio is a low 1:1. Furthermore, GRE outlines a mine plan and development strategy entirely on private land, which significantly reduces the timeline for permitting. At a copper price of \$3.00/lb, Zonia shows an after-tax

NPV@6% of \$225 million, and an internal rate of return ("IRR") of 29.0%.

The PEA is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and, as such, there is no certainty that the PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability as there is no certainty that all or any part of the resources will be converted into reserves.

In addition to the established resource, the Zonia land position contains a copper-molybdenum geochemical anomaly (associated with depressed manganese values) that is similar in intensity and scale (1000 by 1500 metres) to the main resource, and within the same prospective geology. This anomaly is located two kilometers northeast of the resource and represents a high-priority copper-oxide porphyry exploration drill target.

Additional Information

Additional information about World Copper or Cardero is available under their respective SEDAR profile available at www.sedar.com, and a copy of the Arrangement Agreement will be filed on each of World Copper and Cardero's SEDAR profile.

Qualified Person

John Drobe, P.Geo., a qualified person as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for this news release and has approved the disclosure herein. Mr. Drobe is not independent of World Copper as he is a consultant of World Copper.

ABOUT WORLD COPPER LTD.

[World Copper Ltd.](#), headquartered in Vancouver, BC, is a Canadian resource company focused on the exploration and development of its two primary copper porphyry projects, Escalones and Cristal, both located in Chile. World Copper has laid claim to five copper porphyry targets, one with estimated resources, significant soluble copper mineralization, and exciting potential to expand the resource base.

The Escalones porphyry-skarn copper-gold project has estimated inferred resources of 426 million tonnes of 0.367% total copper within the oxidized zone, based on nearly 25,000m of drill core from 53 holes. The 3.45 billion pounds of copper should be amenable to heap leaching with an average recovery of 71%. The Company is focused on exploring the Mancha Amarilla target immediately to the south of the existing resource. In addition, three significant hydrothermal alteration zones, each measuring between 2,000m and 3,000m in diameter, lie 8- 10km to the north of the main discovery.

Mineral resources are not mineral reserves and do not have demonstrated economic viability as there is no certainty that all or any part of the resources will be converted into reserves. Inferred resources are that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. It is reasonably expected that the inferred resources could be upgraded to indicated resources with continued exploration.

The World Copper team has a unique skill in navigating the mining sector within Chile, with some members having worked in the country for more than 40 years and with discovery success.

On Behalf of the Board of Directors of

[World Copper Ltd.](#)

"Nolan Peterson"

Nolan Peterson
Chief Executive Officer

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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein including, without limitation, the Company's expectation that it and Cardero will be able to complete the Arrangement, that Cardero will hold the Cardero Meeting and deliver a management information circular to Cardero shareholders, that Zonia can be advanced utilizing low-cost open pit mining and heap leach, the results of the PEA, including, without limitation the NPV@6%, IRR, estimated costs, average rate of production, the anticipated exploration program results from exploration activities and the anticipated business plans and timing of future activities of the Company, including the timing for the closing of the Arrangement, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "believes", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential", "scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that Cardero will obtain approval from its shareholders for the Arrangement, that the Company will obtain TSXV acceptance and the required court and corporate approvals for the Arrangement, market fundamentals will result in sustained copper and precious metals demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Company's projects in a timely manner, the availability of financing on suitable terms for the development, construction and continued operation of such projects and the ability to comply with environmental, health and safety laws.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include, among others, requirements for additional capital, actual results of exploration activities, including on the Escalones and Cristal projects, the reasonability of the economic assumptions at the basis of the results of the PEA for Zonia, the estimation or realization of mineral reserves and mineral

resources, future prices of copper, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, lack of investor interest in the Financing, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental approvals (including acceptance of the Arrangement by the TSXV), permits or financing or in the completion of development or construction activities, risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on the Company's business, financial condition and results of operations, changes in laws, regulations and policies affecting mining operations, title disputes, the timing and possible outcome of any pending litigation, environmental issues and liabilities, as well as the risk factors described in the Company's annual and quarterly management's discussion and analysis and in other filings made by the Company with Canadian securities regulatory authorities under the Company's profile at www.sedar.com.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements in this news release or incorporated by reference herein, except as otherwise required by law.

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