

Arizona Sonoran Announces a Strategic Investment by Rio Tinto and Non-Brokered Private Placement for Aggregate Gross Proceeds of up to C\$30.5 million

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Arizona Sonoran Copper Company Inc. (TSX:ASCU | OTCQX:ASCUF) ("ASCU" or the "Company"), an emerging US-based copper developer and near-term producer, is pleased to announce it has entered into a strategic partnership with Rio Tinto focused on Rio Tinto's Nuton[®] venture and a non-brokered private placement for total gross proceeds of up to C\$30.5 million.

Nuton[®] offers a portfolio of proprietary copper leach related technologies and capability developed by Rio Tinto to deliver increased copper recovery and leading environmental performance.

ASCU is conducting a structured non-brokered private placement (the "Offering") for up to C\$30.5 million including Rio Tinto, and Tembo Capital Elim Co-Investment LP ("Tembo"), where Rio Tinto will subscribe for 6,400,000 Common Shares (the "Rio Tinto Subscription") and Tembo will subscribe for 3,911,916 Common Shares (the "Tembo Subscription"). An aggregate of up to approximately 15,231,916 ASCU common shares will be issued ("Common Shares") at a price of C\$2.00 per Common Share (the "Subscription Price") under the Offering. The Subscription Price represents a 3.4% discount to the closing price of Common Shares as at April 27, 2022 and a 1.26% discount to the 5 day volume weighted average price as at close of April 27, 2022.

Upon completion of the Offering in full, Rio Tinto is expected to hold 7.4% of the outstanding share capital of the Company, and although participating in the Offering, Tembo will reduce its holding from 37.6% to 35.5% in the Company.

The Common Shares issued under the Offering will be subject to a statutory hold period under applicable Canadian securities laws, expiring four months and one day from the date of closing.

Cactus is a brownfield copper mine located on private land in western Pinal County, Arizona, that benefits from significant infrastructure including onsite power and water from and ready access to additional infrastructure.

George Ogilvie, President and Chief Executive Officer of ASCU commented: "We are thrilled to introduce Rio Tinto as a key shareholder of ASCU and endorsement of the Project's potential by a major industry player. We are also thankful for our continued support from current shareholders, including Tembo in this capital raise. This private placement provides the Company with significantly more capital to explore opportunities to deliver scale to the main project, by way of intensive exploration at Parks/Salyer (P/S) and metallurgical testing of the primary chalcopyrite material at Cactus, which is not currently in the Preliminary Economic Assessment ("PEA") mine plan."

Clayton Walker, Chief Operating Officer of Rio Tinto Copper said: "This investment will allow Rio Tinto to work with ASCU to assess the potential for deploying our innovative Nuton[®] copper leaching technologies at Cactus. Nuton[®] provides the opportunity to unlock additional copper and deliver environmental benefits including a low carbon footprint and reduced waste."

Use of Proceeds and Strategic Partnership Focused on Rio Tinto's Nuton^{™} Technologies

The Company will use the net proceeds from the Offering to fund additional drilling, exploration, project and study work related to the Company's Cactus Mine Project, and for general corporate purposes.

The strategic partnership agreed between Rio Tinto and the Company is focused on Rio Tinto's Nuton^{™} technologies as reflected in an investor rights agreement effective as of closing ("Rio Tinto IRA") under which they will work collaboratively to continue ongoing viability testing and studies of the technologies, including the evaluation of deployment at the Cactus Mine Project. The aim of the partnership is to unlock the value of primary, chalcopyrite-dominated, sulphide material via deployment of Rio Tinto's Nuton^{™} technologies and further add to the long-term, large-scale future profile of the Project. The Rio Tinto IRA also provides for evaluation by Rio Tinto and the Company of other areas of potential strategic collaboration.

The Rio Tinto IRA in addition contains the possibility of a limited-time exclusivity in favor of Rio Tinto concerning the Company's involvement with specified copper heap-leach related technologies under certain conditions. The Rio Tinto IRA does not contain any other exclusivity opportunities.

In addition to terms described above, the Company will, among other things grant Rio Tinto: (i) observer rights of the Company's Technical and Sustainability Committee, (ii) certain participation and anti-dilution rights in respect of future equity issuances by the Company; and (iii) certain information rights whereby the Company will provide Rio Tinto with timely access to technical information related to the Company's Cactus Mine Project.

Tembo continues to support the Company through exercise of its participation right (the "Participation Right") pursuant to the investor rights agreement dated July 10, 2020, between the Company, Tembo and RCF opportunities Fund L.P. in connection with the Offering.

Resulting from its Common Share ownership, Tembo is considered a "related party" of the Company pursuant to applicable Canadian securities laws, including Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions of the Canadian Securities Regulators ("MI 61-101"), as well as an 'insider' of the Company for the purposes of the rules and regulations of the TSX. The exercise by Tembo of its Participation Right for additional Common Shares is considered a "related-party transaction" for the purposes of MI 61-101. The Company is relying on exemptions from the formal valuation and minority securityholder approval requirements otherwise necessary for "related party transactions" that are available under subsections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the subject matter of the transaction, insofar as it concerns "related parties", did not exceed 25% of the market capitalization of the Company at the time the transaction was agreed to by the Company and Tembo.

The Offering is scheduled to close on or about May 13, 2022 and may close in one or more tranches, and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX and the securities regulatory authorities.

Technical aspects of this news release have been reviewed and verified by Allan Schappert - CPG #11758, who is a qualified person as defined by National Instrument 43-101- Standards of Disclosure for Mineral Projects.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or any other jurisdiction. No securities may be offered or sold in the United States or in any other jurisdiction in which such offer or sale would be unlawful prior to registration under the U.S. Securities Act of 1933 or an exemption therefrom or qualification under the securities laws of such other jurisdiction or an exemption therefrom.

Neither the TSX nor the regulating authority has approved or disapproved the information contained in this press release.

About Arizona Sonoran Copper Company (www.arizonasonoran.com | www.cactusmine.com)

ASCU's objective is to become a mid-tier copper producer with low operating costs, develop the Cactus Project that could generate robust returns for investors, and provide a long term sustainable and responsible operation for the community and all stakeholders. The Company's principal asset is a 100% interest in the Cactus Project (former ASARCO, Sacaton mine) which is situated on private land in an infrastructure-rich area of Arizona. The Company is led by an executive management team and Board which have a long-standing track record of successful project delivery in North America complemented by global capital markets expertise.

About Rio Tinto

Rio Tinto is a mining and metals company operating in 35 countries around the world that produces the materials essential to human progress. It aims to help pioneer a more sustainable future, from partnering in the development of technology that can make the aluminum smelting process entirely free of direct GHG emissions, to providing the world with the materials it needs - such as copper and titanium - to build a new low-carbon economy and products like electric vehicles and smartphones.

About Nuton

Nuton is an innovative new venture that aims to help grow Rio Tinto's copper business. At the core of Nuton is a portfolio of proprietary copper leach related technologies and capability - a product of almost 30 years of research and development. The Nuton technology offers the potential to economically unlock known low-grade copper sulphide resources, copper bearing waste and tailings, and achieve higher copper recoveries on oxide and transitional material, allowing for a significantly increased copper production outcome. One of the key differentiators of Nuton is the potential to deliver leading environmental performance, including more efficient water usage, lower carbon emissions, and the ability to reclaim mine sites by reprocessing mine waste.

Forward-Looking Statements

This news release contains forward-looking statements. Forward-looking statements contained in this news release include, but are not limited to, the intentions of ASCU to complete the Offering, the planned use of the proceeds of the Offering and future development and financial prospects of the Cactus Project. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of ASCU to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; results of exploration programs; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, projected cash operating costs, failure to obtain regulatory or shareholder approvals. Although ASCU has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and ASCU disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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Contact

For more information
Alison Dwoskin, Director, Investor Relations Inquiries
647-233-4348
adwoskin@arizonasonoran.com

George Ogilvie, President, CEO and Director
416-723-0458

gogilvie@arizonasonoran.com

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