

Copper Miners Expand Operations to Address Global Supply Shortages

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Energy Metals News Commentary
Issued on behalf of [Usha Resources Ltd.](#)

VANCOUVER, Aug. 9, 2024 - USA News Group - Energy Metals News - At the beginning of 2024, Forbes was reporting on a showdown between the United States and China over a dwindling copper supply, as prices soared. Now with the rise of artificial intelligence (AI), the tech sector is getting hungrier for more copper, with AI recently helping to find millions of tons of it in Zambia. Despite a small price slump over the last few months, there are still analysts confidently expressing bullish sentiment for copper over the long term, with Citigroup predicting further price increases. Looking ahead, the US copper supply is set to grow by 4% in 2024, while other developments from copper miners will look to ease shortage fears with new supplies as global demand is projected to skyrocket. Among the miners currently making progress are developers and producers, including Usha Resources Ltd. (TSXV: USHA) (OTC: USHAF), [Southern Copper Corp.](#) (NYSE: SCCO), Metals Acquisition Limited (NYSE: MTAL), Taseko Mines Limited (NYSE-American: TGB) (TSX: TKO), and Ero Copper Corp. (NYSE: ERO) (TSX: ERO).

Critical energy transition metals developer Usha Resources Ltd. (TSXV: USHA) (OTC: USHAF) recently entered the copper space after executing an option for the right to purchase an undivided 100% interest in the Southern Arm copper property from Abitibi Metals. The move comes after Usha entered an LOI to divest up to 90% interest in its Jackpot Lake lithium asset for US\$26,025,000-a transaction that would give Usha a return-on-investment of over 1,300% after only spent approximately US\$1.835 million on acquiring and developing Jackpot Lake since 2022.

Wasting no time on its new copper asset, Usha began August by commencing fieldwork on the drill-ready Southern Arm Copper-Gold VMS Property. The program is part of the option agreement that Usha signed with Abitibi Metals to earn 100% of the asset over 2 years, beginning with a biogeochemical survey on the property.

Situated in the prolific Abitibi Greenstone Belt, the Southern Arm property features a ~7.3 km conductive copper-gold trend along the regional Bapst fault within the volcanic rocks of the Brouillan-Fenelon Group. This area includes the nearby Selbaie Mine (~15 km southwest), which produced 53 million tonnes at 0.96% Cu, 1.9% Zn, 0.58 g/t Au, and 40.7 g/t Ag. Additionally, Abitibi Metals' B26 Deposit (~16 km southwest) boasts an indicated resource of 6.97 million tonnes at 2.94% Cu equivalent (1.32% Cu, 1.80% Zn, 0.60 g/t Au, and 43 g/t Ag).

"We are excited to apply modern and novel exploration techniques to the Southern Arm Property to penetrate the thick overburden cover that has deterred previous explorers," said Deepak Varshney, CEO of Usha Resources. "The Southern Arm property is exceptionally well-positioned for the Abitibi's next major discovery, and we are working closely with the region's most successful exploration team at [Abitibi Metals Corp.](#) Our planned exploration program will apply techniques that have proven their applicability in the Abitibi mining district, but have not previously been applied to this ground. This work will help us finalize drill target within the Hollywood Trend, prior to our fully funded maiden drill program, for which planning has already begun."

Usha states that the biogeochemical survey aims to identify additional priority targets prospective for high-grade gold and copper mineralization. These targets will be included in the Usha's maiden drill program set to begin this coming fall.

"Our strategic vision at Usha has always been to acquire and monetize undervalued assets," said Varshney. "With working capital of approximately \$1.2M, Usha is in a strong financial position to execute over the

coming year and we look forward to our maiden drill program at Southern Arm, particularly at "Hollywood", which has a ~1.8 km footprint that is open along strike."

Recently in July, Southern Copper Corporation (SCC) (NYSE: SCCO) released its Q2 2024 and H1 2024 financial results, which included a 35.5% increase in net sales year-over-year to ~\$3.12 billion. Among the products SCC sells, the company saw its sales volumes of copper increase by 5.5%, and copper production registering an increase of 6.6% in quarter-on-quarter terms to 242,474 tons. As of July 1, SCC restarted activities at its Tia Maria project in Arequipa, Peru, which is projected to produce 120,000 tons of copper cathodes per year.

"Based on current copper prices, we estimate the [Tia Maria] project will generate exports of \$17.5 billion and contribute \$3.4 billion in taxes and royalties over its 20 years of operation," said German Larrea, Chairman of the Board of Southern Copper. "A significant portion of the economic benefits derived from Tia Maria will be utilized to boost the Company's programs to improve the productivity of vital economic activities in Islay, and agriculture in particular. SCC is fully committed to driving improvements in health and educational services in the Arequipa region, which will mirror the success of the Company's efforts in the Moquegua and Tacna regions."

In Australia, Metals Acquisition Limited (NYSE: MTAL) recently reported favourable drill results to update the market on the continuing exploration and resource development at the CSA Copper Mine- a world class mine that consists of a series of mineralized lenses that extend from surface to a depth of over 2.3km. These results included 22.1m at 9.8% Cu, 24.2m at 7.8% Cu, 22.1m at 7.8%, 17.5m at 8.0% Cu, 12.8m at 8.1% Cu, and 5.5m at 10.4%.

"Drilling at QTSN has confirmed the location of the Inferred resource and will be used to upgrade the Measured and Indicated material, said Mick McMullen, CEO of Metals Acquisition Limited. "We see the typical QTSN intervals of approximately 20m plus grading at 8% Cu or greater in this drilling, which would be seen as spectacular in any other mine but in the CSA Copper Mine are considered normal."

After a suspension at its Gibraltar Mine at the beginning of June, Taseko Mines Limited (NYSE-American: TGB) (TSX: TKO) rebounded quickly within a few weeks to reach an agreement to get workers to restart mining operations. By mid-July, Taseko announced the mine's Q2 2024 production was 20 million pounds of copper (and 185,000 pounds of molybdenum).

"Production in the second half of 2024 is expected to be stronger with the major project and maintenance work in both concentrators completed," said Stuart McDonald, President & CEO of Taseko. "An updated mine plan and mill throughput opportunities are being evaluated to recover some of the production that was lost during the strike. Copper production for the year is expected to be in the range of 110 to 115 million pounds, compared to original guidance of 115 million pounds."

In Brazil, Ero Copper Corp. (NYSE: ERO) (TSX: ERO) recently achieved its first saleable copper concentrate production at its Tucumã Project, initiating a ramp-up right away. The milestone was achieved following the successful commissioning of the milling and flotation operations prior to the end of Q2 2024.

"Producing our first saleable copper concentrate at the Tucumã Project and successfully completing the first 24-hour shift of continuous mining and milling operations are important milestones as we begin our ramp-up towards commercial production," said David Strang, CEO of Ero Copper. "We are rapidly progressing towards an important inflection point for our consolidated copper production and cash flows. It is an exciting time for the Company and with copper prices performing well year-to-date, the timing of the completion and ramp-up of Tucumã could not be better."

In sad news, Ero Copper confirmed a report of a fatality in a non-operational area on surface at its other Brazil mine, the Caraiba Operations-the company's primary asset which it holds a 99.6% interest. The tragedy resulted from a light-duty truck accident, which resulted in the death and a second team member in critical condition.

In response to the tragedy, Ero Copper immediately activated its emergency response and safety protocols which included suspending operations, notifying the relevant government authorities, and undertaking a full

