



Arizona Daily Star

SERVING TUCSON SINCE 1877 • SATURDAY, JANUARY 17, 2009 • REACHING 238,700 READERS WEEKDAYS

75¢
plus tax
One dollar outside
Southern Arizona

SUIT SETTLED
Asarco would get
piece of Rosemont
profits under deal

BUSINESS

2 mining firms settle suit over Rosemont sale

By Gabriela Rico
ARIZONA DAILY STAR

Augusta Resource Corp. and Asarco LLC have reached a settlement in the lawsuit involving the Rosemont property, the site of a proposed copper mine southeast of Tucson.

Tucson copper producer Asarco had sued for return of the land, stating the company did not receive fair value for the property.

In a statement released Friday, Augusta expressed relief

that the settlement was reached and the company can move forward with its plans.

"This settlement removes significant uncertainty in our efforts to develop the Rosemont copper mine as a cornerstone asset of Augusta," President and CEO Gil Clausen said in a prepared statement. "We are extremely pleased to resolve this distraction and turn all of our attention to developing the Rosemont mine."

Augusta faces major opposi-

tion to its planned massive open-pit mine and is still waiting for approval from the Forest Service for the project.

In Asarco's 2007 lawsuit, filed as part of its bankruptcy case, the company argued it was vulnerable when an agent for local businessman Yoram Levy offered a low price for the property in 2004.

"Believing that a quick sale to Levy could raise much needed cash to satisfy creditors' demands, Asarco's management

accepted Levy's fire-sale price quickly and without making a counteroffer or engaging in any negotiations whatsoever," Asarco said in its suit.

Asarco sold the property, about 30 miles southeast of Tucson in the Santa Rita Mountains, to a company owned by Levy for \$4.2 million — even though at the time the property, including its copper deposits, was worth \$400 mil-

See ROSEMONT, A14