



HIGHLAND COPPER ENTERS INTO LETTER OF INTENT TO FORM A JOINT VENTURE WITH AMCI AND ANNOUNCES AMENDMENTS TO THE COPPERWOOD ACQUISITION

/NOT FOR DISSEMINATION IN THE UNITED STATES OF AMERICA/

May 29, 2014 – Longueuil, Quebec. Highland Copper Company Inc. (TSXV: HI) (“Highland” or the “Company”) is pleased to announce that it has signed a non-binding letter of intent (“LOI”) with AMCI Holdings Inc. (“AMCI”) to form a joint venture (the “JV”) whereby Highland and AMCI will develop Highland’s projects in the Upper Peninsula of Michigan.

David Fennell, executive chairman, commented, “We believe AMCI and Highland will be great partners in the redevelopment of a significant copper production district in the Upper Peninsula of Michigan. AMCI brings both financial strength and complementary technical capability to the projects. The earn-in terms of the JV are a demonstration of the value today and potential of the future.”

Pursuant to the terms of the LOI, it is expected that Highland and AMCI will have equal participation in the JV entity. Highland would contribute to the JV all of its interests in mineral projects in Michigan. AMCI would contribute US\$45 million to the JV, of which US\$5 million would be contributed by September 25, 2014 and US\$40 million by December 15, 2014 (the “AMCI Funding Completion Date”). Between now and September 25, 2014 (the “Exclusivity Period”), Highland has agreed to deal exclusively with AMCI with respect to the JV transaction.

Highland would grant to AMCI a number of common share purchase warrants which would vary between 7 million and 10 million depending on the date of the AMCI Funding Completion Date, with a strike price of C\$0.80 (subject to any adjustment of the price as required by the TSXV) for a term expiring on June 30, 2016 (subject to Highland’s right to accelerate the expiry date under certain circumstances). Issuance of 10 million and 7 million warrants correspond to AMCI Completion Dates of September 30, 2014 and December 15, 2014 respectively, providing AMCI an incentive to accelerate closing.

AMCI has completed its initial due diligence review to its satisfaction. During the Exclusivity Period, AMCI is entitled to complete confirmatory due diligence on the projects.

Upon formation of the JV, a governance committee consisting of four members (two members to be appointed by each of Highland and AMCI) would be formed and would determine overall policies, objectives and actions of the JV. It is expected that Highland will be the operator.

The LOI is intended to serve as a basis for the negotiation and execution of a definitive joint venture agreement which would include a number of customary conditions precedent, including

approval of the TSX Venture Exchange and all other required regulatory, corporate, security holder and other third party approvals.

Amendments to the agreement to acquire the Copperwood project

Highland also announces that it has agreed with Orvana Minerals Corp. (“Orvana”) to amend the terms under which Highland will acquire all rights, title and interest in the Copperwood Project (“Copperwood”) through the acquisition from Orvana of all of the outstanding shares of Orvana Resources US Corp. (the “Acquisition”). As previously announced, in consideration for the Acquisition, Highland had agreed to pay Orvana up to US\$25 million, consisting of a base consideration of US\$20 million to be paid in cash at closing and an additional consideration of up to US\$5 million. Highland and Orvana have now agreed that the US\$20 million base consideration will be paid as follows: US\$13 million in cash at closing (plus any additional proceeds in excess of US\$21,000,000 that Highland may get from a third tranche of its previously announced non-brokered private placement) and US\$7 million (less any excess payment made at closing) by a secured promissory note (the “Note”). The Note will mature on December 15, 2014 and will bear interest at an annualised rate of 13.5% on the outstanding amount from issuance of the Note until September 30, 2014 and, if still outstanding, thereafter will bear interest at an annualized rate of 17.5%. Highland may have to repay the Note, partially or totally, before maturity with the raising of additional capital. The Note will be secured by a first priority security interest over all of the assets of Orvana Resources US Corp and a pledge of 100% of the shares being acquired.

The other terms of the Acquisition remain unchanged. Subject to receipt of all required approvals and Highland having raised no less than C\$18 million, the Company and Orvana expect to close the Acquisition on or before June 13, 2014.

AMCI as a strategic shareholder and Financing Update

In a separate transaction, AMCI has agreed, subject to certain conditions, to subscribe for common shares of Highland at a price of C\$0.50 per share for up to approximately US\$5 million as part of Highland’s previously announced non-brokered private placement. AMCI will become a strategic shareholder of Highland holding approximately 9.9% of Highland’s issued shares after completion of the third tranche of the private placement which is now expected to close on or about June 12, 2014, for an aggregate amount of up to C\$25 million.

AMCI is a privately owned resources company founded in 1986 with long-term investments in a variety of industrial commodities, particularly in iron, coal, and copper. Mr. Brian Beem, managing director, stated that “In our review, Highland’s Michigan copper assets are unique in that they cover an extremely large area with most of the critical infrastructure in close proximity, and in a state having a long and proud history of mining. The JV would be the foundation under which Highland and AMCI will work together to achieve a common goal of turning our projects into productive mines.”

ABOUT HIGHLAND

Highland Copper Company Inc. is a Canadian exploration company focused on exploring and developing copper projects in the Upper Peninsula of Michigan, U.S.A. Highland has recently

completed the interim closing of the White Pine Project and has entered into an agreement to acquire the Copperwood project. Additional information about Highland is available on the Company's website at www.highlandcopper.com and on SEDAR at www.sedar.com

CAUTIONARY STATEMENT

The common shares offered in the previously announced private placement have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the common shares in any jurisdiction in which such offer, solicitation or sale would be unlawful. Any public offering of securities to be made in the United States must be made by means of a prospectus containing detailed information about the Company and management, as well as financial statements.

Certain statements contained in this press release constitute forward looking information under the provisions of Canadian securities laws. Such statements include without limitation: the Company's plans and objectives to complete a joint venture with AMCI and plans to complete the acquisition of the Copperwood project and a non-brokered private placement; statements about the redevelopment of a significant copper production; the long-term potential of Highland's project; and other statements and information regarding anticipated results regarding the Company's operations and exploration. Such statements reflect the Company's views as at the date of this press release and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements. Actual results may be materially different from those currently anticipated. Many factors, known and unknown could cause the actual results to be materially different from those expressed or implied by such forward looking statements. Such risks include, but are not limited to: the inability to meet the conditions to close the acquisition of the Copperwood project, the availability of financing for additional capital requirements; cost of exploration and development programs; mining risks; risks associated with governmental and environmental regulation and obtaining all the necessary permits for the development of the project; and risks associated with global economic growth. The Company does not intend, and does not assume any obligation, to update these forward-looking statements and information, except as required by law. Accordingly, readers are advised not to place undue reliance on forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information, please contact:

David Fennell, Executive Chairman
Tel: 1.450.677.2455

James Crombie, Interim President
Tel: 1.450.677.2455

Email: info@highlandcopper.com

Website: www.highlandcopper.com