Highland Copper Company reports additional high grade results at the Keweenaw Copper Project, Michigan

6,400 acres leased with potential for copper mineralization in the Nonesuch Shale

January 31, 2013 – Longueuil, QC. Highland Copper Company Inc. (TSXV: HI) ("Highland" or the "Company") is pleased to announce results for 18 additional diamond drill holes from the 543S chalcocite deposit at the Keweenaw copper project in the Upper Peninsula of Michigan, U.S.A. Some of the higher grade and longer intersections in holes for which all assays have been received and checked include the following:

- **CEN414: 13.0 meters of 3.64% Cu and 5.9 g/t Ag including**
  - 5.5 meters of 6.36% Cu and 8.1 g/t Ag
- **CEN409: 10.0 meters of 3.45% Cu and 7.0 g/t Ag including**
  - 3.5 meters of 8.37% Cu and 1.6 g/t Ag
- **CEN417: 25.7 meters of 2.99% Cu and 4.1 g/t Ag including**
  - 3.0 meters of 10.43% Cu and 14.2 g/t Ag
- **CEN411: 33.5 meters of 2.25% Cu and 14.5 g/t Ag including**
  - 4.7 meters of 4.59% Cu and 2.6 g/t Ag
- **CEN434: 46.3 meters of 1.99% Cu and 2.6 g/t Ag including**
  - 2.8 meters of 6.37% Cu and 3.8 g/t Ag
- **CEN412: 29.0 meters of 1.95% Cu and 2.8 g/t Ag including**
  - 2.4 meters of 5.37% Cu and 4.8 g/t Ag and
  - 2.0 meters of 7.93% Cu and 3.6 g/t Ag
- **CEN407: 26.0 meters of 1.09% Cu and 1.2 g/t Ag**
- **CEN322: 25.5 meters of 1.08% Cu and 4.4 g/t Ag including**
  - 1.5 meters of 7.61 g/t Ag and 24.2 g/t Ag

Results for composite assay intersections in all 18 holes are shown on Table 1. Sampling of visually-identified high grade copper intersections is on approximate 0.5 meter intervals adjusted for the geology. Individual high grade samples tend to cluster in continuous zones within broader envelopes of lower grade material. Contacts with adjacent unmineralized wall rocks may be sharp or gradational.

"We are very pleased with the results," noted Ross R. Grunwald, PhD, Vice president of Exploration for Highland. "It shows the strength and continuity of this copper system with its multiple lenses extending from near surface. The geological relationships in the most recent holes are consistent with those in previous holes and provide confidence that a reliable geological model may be developed to support a resource estimate."

The Company is currently completing the QAQC audit on the 543S database and resource estimation in compliance with Canadian National Instrument 43-101 ("NI 43-101") is expected to begin as soon as the audit is completed."

Exploration program progress

Highland's 2012 objective was to verify the 1970s drill results by reducing the historic drill hole spacing and twinning selected historic holes to establish a NI 43-101 resource estimate at the 543S deposit. To date 26,207 meters in 174 diamond drill holes (with a final hole in progress) have been completed (see Figure 1). The original grid at an approximate 200 ft collar spacing (60 meters) has been reduced to an overall collar spacing of approximately 30 meters. Collar spacing in the southwestern portion of the 543S deposit was locally reduced to 15 meters to gain a better understanding of the continuity of mineralization and local geological structure (see Figure 1). Cross section 600E on Figure 2 indicates that the stratiform geometry of the mineralization is similar to the geometry of the mineralized zones on the adjacent section 500E (section 500E may be viewed in the January 9, 2013 news release on the Company's website). Assay results for 123 diamond drill holes have been reported to date with assays from 51 holes remaining to be reported for the 543S deposit.

Drilling at 543S is complete for now and both diamond drills are being moved to the G-2 prospect where 31 historic holes drilled in the 1970s indicate potential for chalcocite mineralization geologically similar to that found in the 543S deposit.

Geology

Lens-like zones of mineralization, largely in brecciated tops of amygdaloidal Precambrian basalt lava flows, consist mostly of primary chalcocite accompanied by small amounts of native copper and native silver. Silver in the copper-bearing zones varies mostly from 1-15 g/tonne Ag. Traces of other sulfide minerals are also present. Mineralization comes to the bedrock surface and is covered by 3 to 30 meters of glacial deposits. The 543S deposit is in the western portion of a 20-mile long belt of chalcocite prospects that extends east from a belt of large native copper mines, centered near the town of Calumet, Michigan, that were mined for about 130 years before closing in 1968 due to low copper prices.

The 2012 drill holes are within an area of 101 historic diamond drill holes called the 543S sulphide deposit, a zone of chalcocite mineralization that was explored from 1973-1977 and briefly in the mid-nineties. The 543S deposit contains a historic resource estimate of 4.5 million short tons averaging 2.27% Cu at a 0.75% Cu cut-off grade as described in a Technical Report by Behre Dolbear & Company, Ltd. titled "Centennial and Kingston Native Copper, 543S, and Other Copper Sulfide Properties, Houghton and Keweenaw Counties, Michigan, USA'' dated September 29, 2011. The Company has not completed the work necessary to classify the historical estimate mentioned above as current mineral resources. The Company is not treating the historical estimate as current mineral resources as defined in NI 43-101 and the historical estimate should not be relied upon. The historical resource estimate is contained in six separate lenses averaging 5.0 meters (16.5 ft.) true thickness that dip about 40° to the north.

Drilling, sampling, assaying, and QAQC

All holes reported on Table 1 are inclined to the south along section lines shown on Figure 1. Drill hole inclinations are selected to approximate a true width intersection of the mineralized lenses based on regional information on the dips of the lava flows. Holes reported as unmineralized contain less than 3 continuous meters averaging at least 0.20% Cu and are mostly confined to edges of the 543S deposit. Down-hole surveys are made for all holes.

All technical information for the 543S exploration program is collected under a formal quality assurance and quality control (QAQC) program that has been reviewed by two independent qualified persons as defined in NI 43-101. Samples are taken under the direction of qualified geologists and stored in sealed bags. Samples are then placed in sealed containers and delivered via courier or common carrier to Accurassay Labs and ActLabs, both certified analytical facilities in Thunder Bay, Ontario, Canada for analysis. Copper and silver contents are determined at both labs using a four acid digestion procedure.

The technical information contained in this news release has been reviewed and approved by Ross R. Grunwald, PhD., Vice president - Exploration for the Company. Dr. Grunwald is a qualified person as defined in NI 43-101.

Keweenaw Copper Project

The Keweenaw Copper Project covers about 13,000 acres of mineral rights and is being explored under a Mining Venture Agreement between Highland and BRP LLC. The agreement allows Highland to earn a 65 percent interest by spending US$11.5 million in expenditures on the project and providing a feasibility study by October 26, 2015. More information about the Keweenaw Copper Project is available in Behre Dolbear's NI 43-101 Technical Report, available on the Company's website at www.highlandcopper.com and on SEDAR at www.sedar.com.

New Leased Properties

In December 2012, Highland, through its wholly-owned subsidiary Keweenaw Copper Co, entered into a lease agreement with a Michigan corporation for the exploration and development of two areas totalling approximately 6,400 acres of mineral and surface ownership in the Upper Peninsula of the State of Michigan. These properties are situated over the Nonesuch Shale formation in areas that are largely unexplored, but where historic data indicate copper and silver mineralization. The Nonesuch formation is the host of the former White Pine mine (production of 1.7 million tonnes of copper and 4.5 million ounces of silver from 1953 to 1996) and the Orvana Minerals' Copperwood deposit (published reserve of 0.38 million tonnes of copper and 3.5 million ounces of silver).

The lease has a primary term of 10 years and may be extended for an additional 10 years under certain conditions. Keweenaw will pay an annual rent to the lessor. Additional payments will be payable upon achievement of certain milestones as well as a sliding scale net smelter return royalty upon commencement of production. The leased properties are not part of the Mining Venture Agreement with BRP LLC. Exploration is expected to begin later in 2013.

Cautionary Statement

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 mineral resource estimate and resource modeling; the geological interpretation of the results and the continuity of the copper system, 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 volatility of copper price; the uncertainty of exploration results, capital expenditure requirements and other costs; the uncertainties related to the Company's ability to acquire a 65% interest in the Keweenaw project; currency fluctuations; 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.

Investors are cautioned not to assume that all or any part of a mineral resource, if confirmed, will ever be converted into mineral reserves. Mineral resources have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility.

About Highland

Highland Copper Company Inc. is a Canadian exploration company focused on exploring and developing copper projects on the Keweenaw Peninsula within the Upper Peninsula of Michigan, U.S.A. through its 100%-held subsidiary, Keweenaw Copper Co. The Company is well capitalized with approximately $10 million in cash at December 31, 2012. The common shares of Highland trade on the TSX Venture Exchange under the symbol 'HI'. Additional information about the Company is available on the Company's website and on SEDAR.

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TABLE 1. Composite assays, 543S deposit – Jan. 31, 2013

Hole	Interval (m)	Length (m)	% Cu (0.20% Cu cutoff)	Ag (g/t)
CEN322	**92.3 - 97.5**	**5.2**	**1.01**	**4.5**
	102.0 - 127.5	**25.5**	**1.08**	**4.4**
including	118.2 - 119.7	1.5	7.61	24.2
	131.7 - 150.6	**18.9**	**0.68**	**2.0**
	168.1 - 176.4	**8.3**	**3.22**	**2.9**
including	170.9 - 175.4	4.5	5.37	4.1
CEN379	**136.0 - 138.0**	**2.0**	**1.36**	**11.4**
	143.1 - 145.2	**2.1**	**2.40**	**4.4**
	158.5 - 161.5	**3.0**	**0.27**	**0.6**
	204.7 - 213.3	**8.6**	**0.80**	**1.4**
	221.9 - 230.5	**8.6**	**0.29**	**1.8**
	238.5 - 241.0	**2.5**	**0.31**	**1.0**
CEN396	**64.4 - 65.4**	**1.0**	**4.93**	**1.0**
	68.6 - 70.9	**2.3**	**1.68**	**0.6**
	73.9 - 75.9	**2.0**	**1.42**	**8.7**
CEN398	**39.6 - 44.5**	**4.9**	**2.10**	**24.2**
	56.4 - 57.5	**1.1**	**5.97**	**1.5**
CEN399	**56.6 - 62.0**	**5.4**	**3.10**	**3.8**
including	57.6 - 59.1	1.5	7.16	1.4
CEN401	**32.2 - 45.6**	**13.4**	**1.30**	**4.1**
including	32.7 - 33.3	0.6	9.34	2.8
CEN405	**48.2 - 61.0**	**12.8**	**1.74**	**2.2**
including	48.2 - 50.2	2.0	6.14	7.5
	75.2 - 83.1	**7.9**	**1.21**	**0.7**
including	80.3 - 81.1	0.8	7.46	2.8

Hole	Interval (m)	Length (m)	% Cu (0.20% Cu cutoff)	Ag (g/t)
CEN406	**37.2 - 41.1**	**3.9**	**2.93**	**0.9**
including	37.7 - 38.7	1.0	10.11	2.2
CEN407	**20.0 - 46.0**	**26.0**	**1.09**	**1.2**
including	20.5 - 21.2	0.7	8.91	1.9
including	38.1 - 39.8	1.7	5.81	1.2
	54.5 - 58.2	**3.7**	**6.43**	**1.1**
	56.0 - 57.5	1.5	11.01	1.5
CEN409	**18.8 - 20.0**	**1.2**	**1.25**	**1.2**
	37.0 - 47.0	**10.0**	**3.45**	**7.0**
including	38.5 - 42.0	3.5	8.37	1.6
	54.0 - 57.0	**3.0**	**0.88**	**0.6**
CEN411	**81.4 - 84.0**	**2.6**	**0.33**	**0.7**
	97.5 - 99.0	**1.5**	**0.99**	**0.7**
	103.5 - 137.0	**33.5**	**2.25**	**14.5**
including	122.2 - 126.9	4.7	4.59	2.6
	148.0 - 149.3	**1.3**	**2.17**	**0.8**
CEN412	**9.9 - 12.9**	**3.0**	**0.63**	**1.4**
	58.5 - 87.5	**29.0**	**1.95**	**2.8**
including	68.7 - 71.1	2.4	5.37	4.8
including	77.7 - 79.0	1.5	5.47	3.1
including	80.5 - 82.5	2.0	7.93	3.6
CEN414	**99.5 - 104.9**	**5.4**	**2.03**	**36.4**
	112.6 - 125.6	**13.0**	**3.64**	**5.9**
including	116.1 - 117.1	1.0	8.68	13.0
including	118.1 - 120.1	2.0	7.66	9.0
CEN416	**65.2 - 70.8**	**5.6**	**1.80**	**2.9**
	76.9 - 91.2	**14.3**	**2.16**	**2.9**

Hole	Interval (m)	Length (m)	% Cu (0.20% Cu cutoff)	Ag (g/t)
including	76.9 - 78.9	2.0	9.81	7.1
	96.2 - 102.0	**5.8**	**0.45**	**0.5**
	113.5 - 116.5	**3.0**	**0.42**	**0.4**
CEN417	**80.7 - 107.4**	**26.7**	**2.88**	**4.0**
including	84.2 - 85.6	1.4	5.04	5.3
including	90.3 - 92.2	1.9	8.14	7.8
including	95.1 - 98.1	3.0	10.43	14.2
	120.1 - 122.1	**2.0**	**0.27**	**0.3**
CEN424	**14.0 - 18.2**	**4.2**	**0.31**	**0.4**
	34.2 - 37.7	**3.5**	**0.94**	**6.3**
	45.8 - 50.0	**4.2**	**1.05**	**0.9**
	82.8 - 87.9	**5.1**	**0.85**	**0.7**
CEN434	**160.5 - 206.8**	**46.3**	**1.99**	**2.6**
including	*203.4 - 206.2*	*2.8*	*6.37*	*3.8*
CEN447	**72.0 - 73.5**	**1.5**	**1.93**	**0.7**
	76.0 - 84.6	**8.6**	**0.89**	**2.0**
	88.8 - 91.7	**2.9**	**3.08**	**2.0**
including	88.9 - 90.3	1.4	5.65	2.5

Figure 1

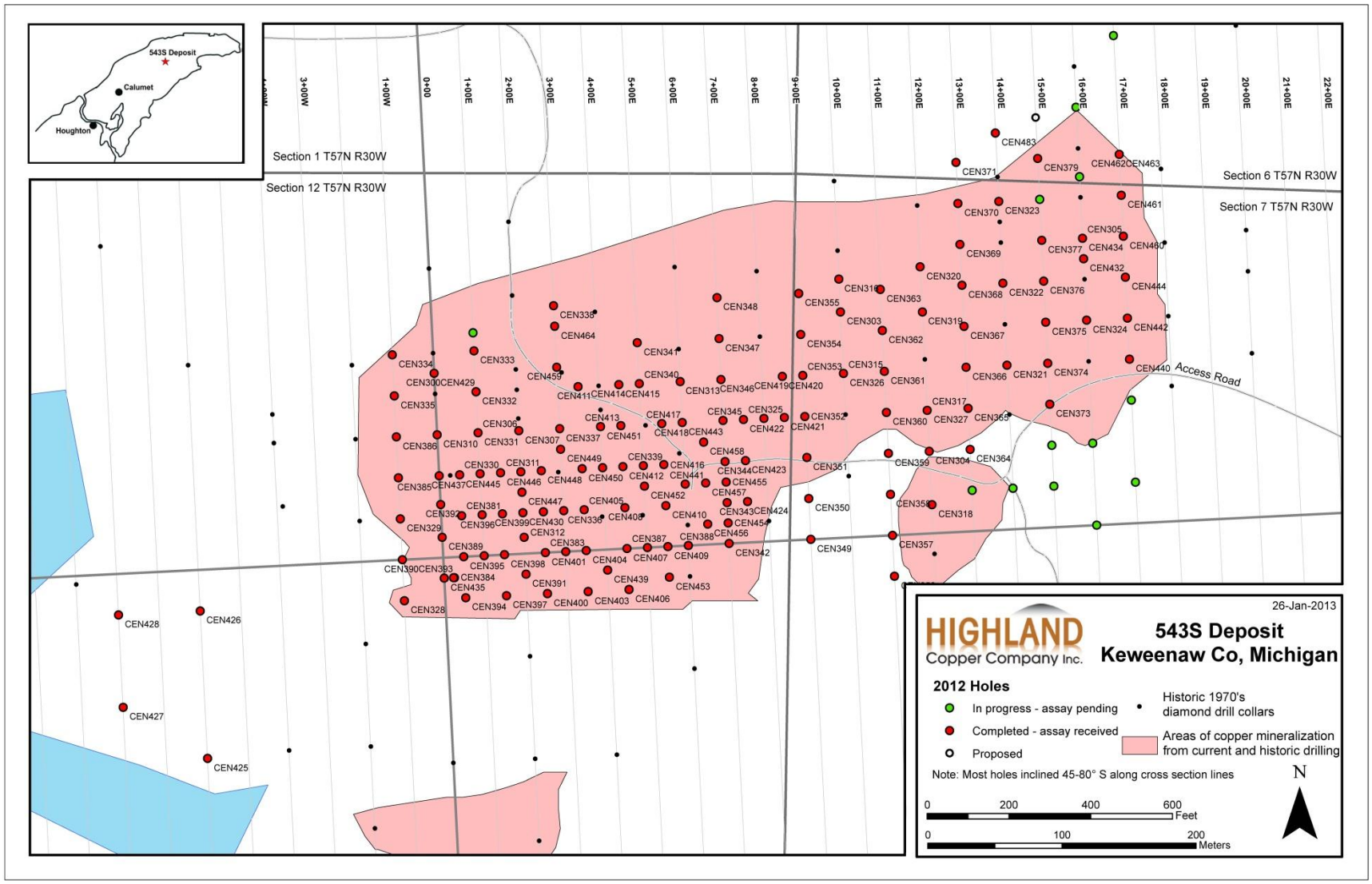
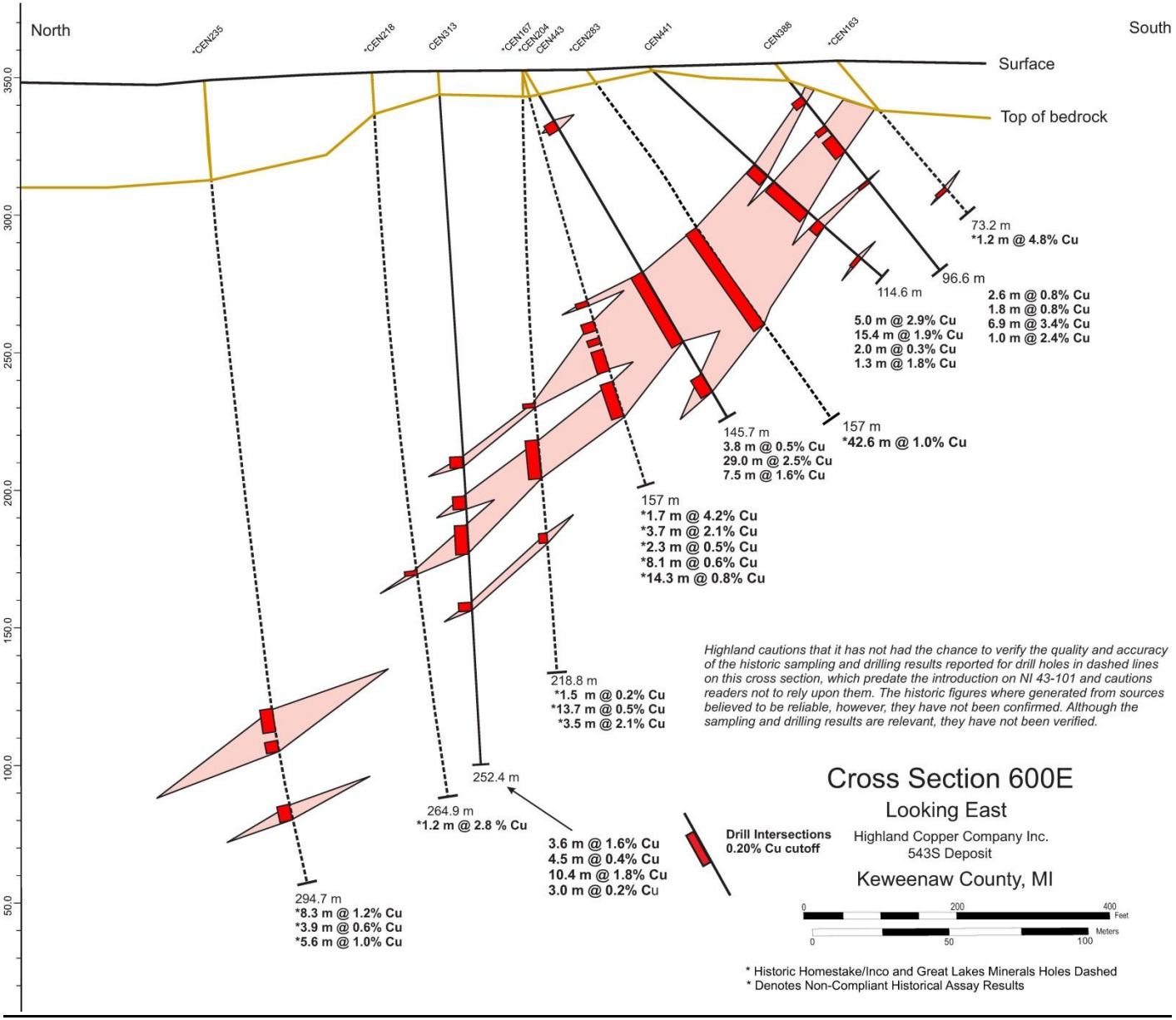

543S Deposit
Calumet
Houghton
Section 1 T57N R30W
Section 12 T57N R30W
Section 6 T57N R30W
Section 7 T57N R30W
Access Road
26-Jan-2013
HIGHLAND Copper Company Inc.
543S Deposit
Keweenaw Co, Michigan
2012 Holes
In progress - assay pending
Completed - assay received
Proposed
Historic 1970's diamond drill collars
Areas of copper mineralization from current and historic drilling
Note: Most holes inclined 45-80° S along cross section lines
N
0 200 400 600 Feet
0 100 200 Meters

Figure 2


North
South
*CEN235
*CEN218
CEN313
*CEN167
*CEN204
CEN443
*CEN283
CEN441
CEN388
*CEN163
Surface
Top of bedrock
350.0
300.0
250.0
200.0
150.0
100.0
50.0
73.2 m
*1.2 m @ 4.8% Cu
96.6 m
2.6 m @ 0.8% Cu
1.8 m @ 0.8% Cu
6.9 m @ 3.4% Cu
1.0 m @ 2.4% Cu
114.6 m
5.0 m @ 2.9% Cu
15.4 m @ 1.9% Cu
2.0 m @ 0.3% Cu
1.3 m @ 1.8% Cu
145.7 m
3.8 m @ 0.5% Cu
29.0 m @ 2.5% Cu
7.5 m @ 1.6% Cu
157 m
*42.6 m @ 1.0% Cu
157 m
*1.7 m @ 4.2% Cu
*3.7 m @ 2.1% Cu
*2.3 m @ 0.5% Cu
*8.1 m @ 0.6% Cu
*14.3 m @ 0.8% Cu
218.8 m
*1.5 m @ 0.2% Cu
*13.7 m @ 0.5% Cu
*3.5 m @ 2.1% Cu
252.4 m
264.9 m
*1.2 m @ 2.8 % Cu
3.6 m @ 1.6% Cu
4.5 m @ 0.4% Cu
10.4 m @ 1.8% Cu
3.0 m @ 0.2% Cu
294.7 m
*8.3 m @ 1.2% Cu
*3.9 m @ 0.6% Cu
*5.6 m @ 1.0% Cu
Highland cautions that it has not had the chance to verify the quality and accuracy of the historic sampling and drilling results reported for drill holes in dashed lines on this cross section, which predate the introduction on NI 43-101 and cautions readers not to rely upon them. The historic figures where generated from sources believed to be reliable, however, they have not been confirmed. Although the sampling and drilling results are relevant, they have not been verified.
Cross Section 600E
Looking East
Highland Copper Company Inc.
543S Deposit
Keweenaw County, MI
Drill Intersections
0.20% Cu cutoff
0
200
400
Feet
0
50
100
Meters
* Historic Homestake/Inco and Great Lakes Minerals Holes Dashed
* Denotes Non-Compliant Historical Assay Results