

THE BAPE confirms positives aspects of the NIOCAN project

Oka, October 28, 2002 Following a public presentation of the BAPE's (Bureau Audience Publique en Environnement) enquiry on a project to exploit a mine and a ferroniobium plant in Oka, the management of NIOCAN expresses their satisfaction to the report's conclusion.

The president & CEO of NIOCAN, Mr. Richard R. Faucher, reminded everyone that this report confirms similar conclusions reached by independent experts and other government institutions which have studied the project since its inception. "We are not surprised by this decision; rather it would have been surprising that the BAPE reaches different conclusions than those experts and the five federal ministries who have studied the environmental impact study of the project".

Further, the ministry of Natural resources of Quebec has already given a mining lease to NIOCAN and approved the location of the necessary infrastructures.

The BAPE's report clearly state at each of the five questions raised in its review, that the mining activity will not have an impact on the environment. It was essential for NIOCAN that the BAPE emits its opinion in a definite and clear way so as to reassure the population of Oka on the environmental integrity of the project. The BAPE's conclusions should dissipate whatever doubts remained with the opponents to the project.

The TAQ (Tribunal Administratif du Québec) has also held some hearings in order to reevaluate the positive decision made by the CPTAQ (Agricultural Land Commission) with regard to this project. Their decision is expected within the next month.

The management of NIOCAN has enthusiastically cooperate to all of the evaluation and public audit processes so as to reassure the population; understanding very well that a project of such size may raise some preoccupations amongst residents. "The opponents to the project cannot ignore all of the decisions reached by all of these experts and it would be dishonest to continue a campaign of disinformation on their part" stated the president of NIOCAN.

"If the opponents continue their action, it will become clear that the objective of those persons are to create additional delays to this project; and that it is not at all tied to questions of an environmental nature" said Mr. Richard Faucher.

The NIOCAN project will result in nearly 500 direct and indirect jobs with a fall out of \$32 M for the local economy during construction. Regional fall out resulting from the exploitation are estimated at \$609 Millions over 17 years.

Niobium is becoming an ever more important component of new modern steel such as HSLA (high strength low alloy). This anticorrosive metal provides opportunity to reduce weight of steel components by 20% to 40%. It is increasingly used in cars, airplane and construction. The resulting weight reduction consequently reduces significantly the energy consumption meeting one of the requirements of the Kyoto protocol. The world demand for niobium has increased by 8% per year and NIOCAN through its project expects to be the 4th producer of importance with 10% of the market share.

Information : Richard R. Faucher, eng.
President & CEO of NIOCAN
Tel: (514) 288-8506

René Dufour, eng.
Chairman of the board
Tel: (514) 340-4711 ext. 4926