



**CANADA
Phosphate**

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Introducing World-Class Open-pit Phosphate and Titanium Deposits in Quebec, Canada

Resources:

**Indicated - 78 Million metric tons at
7.24% P₂O₅ and 7.84% TiO₂**

**Inferred - 260 Million metric tons at
5.7% P₂O₅ and 7.64% TiO₂**

High quality concentrate

Apatite recovery of 90%

Concentrate of 40% P₂O₅

Economic estimate

- CAPEX	\$ 325 M
- Gross profit margin	38.8 %
- DNPV	\$ 439 M
- IRR	20.8 %



LOCATION

The Lac à Paul deposits consist of 271 claims which cover more than 15,000 hectares. The deposits are located less than 200 km north of Saguenay City in the Province of Quebec in Canada.



FACILITIES

- Transport =
- Highway network for heavy transport
 - Train available
 - Seaport in deep water

Access guaranteed to the territory

Electricity = deposits are located 30 km to the power station Chute des Passes (Rio Tinto Alcan) and to the power station Péribonka IV (HydroQuebec)

- Labour = qualified labour available
 Water = project close to several rivers and lakes

SCOPING STUDY AND NI 43-101 RESOURCES ESTIMATE

INDICATED & INFERRED RESOURCES

	Zone	Tonnage Mt	P ₂ O ₅ %	TiO ₂ %
Indicated	Paul	78.34	7.24	7.84
Inferred	Paul	58.25	6.97	8.00
Inferred	Manouane	137.65	5.71	8.92
Inferred	Zone 2	64.25	4.54	4.56
Inferred Total	Total	260.15	5.70	7.64

PAUL ZONE ECONOMIC EVALUATION

CAPEX	\$ 325 M	Operation costs	
Mining equipment	\$ 50 M	Mining cost	\$ 21.69 /t
Mill	\$ 135 M	Processing cost	\$ 29.20 /t
Site preparation	\$ 67 M	Transportation cost to the train	\$ 13.72 /t
Trucking transport	\$ 31 M	Corporate management	\$ 7.63 /t
Miscellaneous and engineering (15%)	\$ 42 M	Concentrate selling price in Dolbeau	\$ 118 /t
		Gross profit margin	38.8 %

Discounted Net Present Value at 3% (DNPV) **\$ 439 M**
 Internal Rate of Return (IRR) before taxes **20.80 %**

NI 43-101 from SGS-Geostat Ltd & IOS Services Géoscientifiques inc.

All amounts are in CAD\$.

APATITE AND ILMENITE CONCENTRATES QUALITY

Zones	2	Manouane	Paul
P₂O₅ (%)	39.5	38.6	39.9
Apat. recov.(%)	91.5	85	85
Fe ₂ O ₃ (%)	1.55	3.10	1.98
SiO ₂ (%)	2.21	2.22	1.28
TiO ₂ (%)	0.19	1.20	0.77
CaO (%)	52.4	51.8	52.5
CaO / P ₂ O ₅	1.33	1.34	1.32
Cl (g/t)	938	884	1201
F (%)	1.53	1.82	1.77
U (%)	< 0.002	< 0.002	< 0.002
Hg (g/t)	< 0.3	< 0.3	< 0.3
As (g/t)	< 30	< 30	< 30
Cd (g/t)	< 2	< 2	< 2
Pb (g/t)	40	< 30	< 50

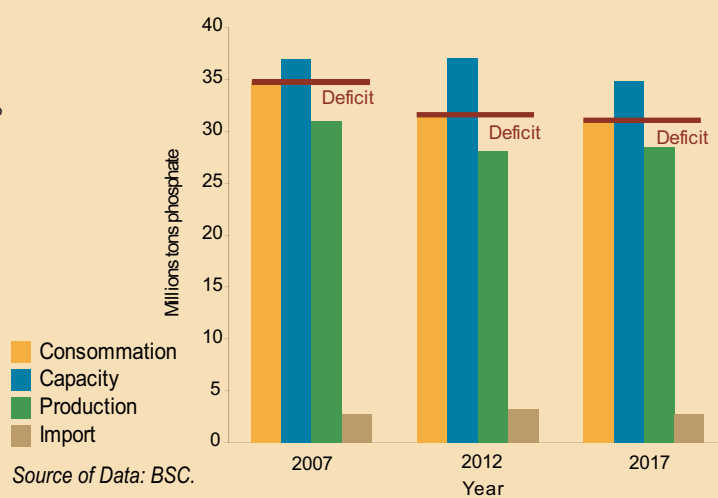
Apatite concentrate

- Recovery rate between 85 to 91.5%
- Concentrate grading between 38.6% to 39.9% P₂O₅

Ilmenite concentrate

- News tests necessary
- Recovery rate exceeding 60%
- Concentrate grading 48% TiO₂
- Non-negligible values-added of the deposit.

PHOSPHATE NORTH AMERICAN MARKET



Source of Data: BSC.

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