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Altius grows up

Newfoundland's most successful junior exploration company finds a new home on the big board

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The Business Post

For the past year or two, Altius Minerals Corporation was starting to look like the kid in school who is growing so fast that his clothes can't keep up.

As most other Newfoundland-based companies on the TSX Venture Exchange struggled to see a share price rise to even a dollar, Altus regularly traded in the \$8 to \$11 range.

Its raft of projects — everything from diverse mineral plays to a proposed new oil refinery in Placentia Bay to its large shareholdings in several other junior companies that are inching towards developing mines of their own — made Altius the star player in the province's resources sector.

So it seemed only fitting Monday that Altius moved up with the big boys, leaving the Venture Exchange behind for a position on the Toronto Stock Exchange's main board. It closed its last day of trading Friday at \$10.30 a share, up seven per cent on the day.

"It was time for it," acknowledged Altius president Brian Dalton. "The size is such... that there is a lot more flexibility and deal making and that kind of thing on the main board."

The Venture Exchange is more restrictive. Many transactions and company announcements have to get prior approval from the exchange's managers before listed companies can act.

"The main board is more free and open," said Dalton. "In fact they approved us an exempt issuer, which is the highest level of listing you can have, the same as a bank."

Dalton said Altius made a lot of corporate governance changes over the past year as it prepared for the move. The switch doesn't affect the company's share price.

"But it certainly opens up the number of investors who can buy the shares," Dalton allowed. "On the Venture, there are a lot of funds that just as a matter of policy won't buy anything that is not listed on the TSX in Canada. And you get more of that when you look internationally."

Altius' new listing is under the industrials category.

"That type of listing has a category for companies with earnings and that was the straightforward one and probably looks the most like us," said Dalton.

This is Altius' second year with positive earnings, another unusual feature for a junior mining company. One of the reasons for the earnings is the sale of some of its shares in Aurora Energy, a company Altius co-created with Fronteer Development Group on the strength of their combined uranium assets in Labrador.

Since creating Aurora, Altius has trimmed its holdings in the company a number of times, most recently in a sale that netted a \$30.1 million gain. It is still a major shareholder with 9.9 per cent of Aurora's shares and a two per cent gross sales royalty on any uranium production.

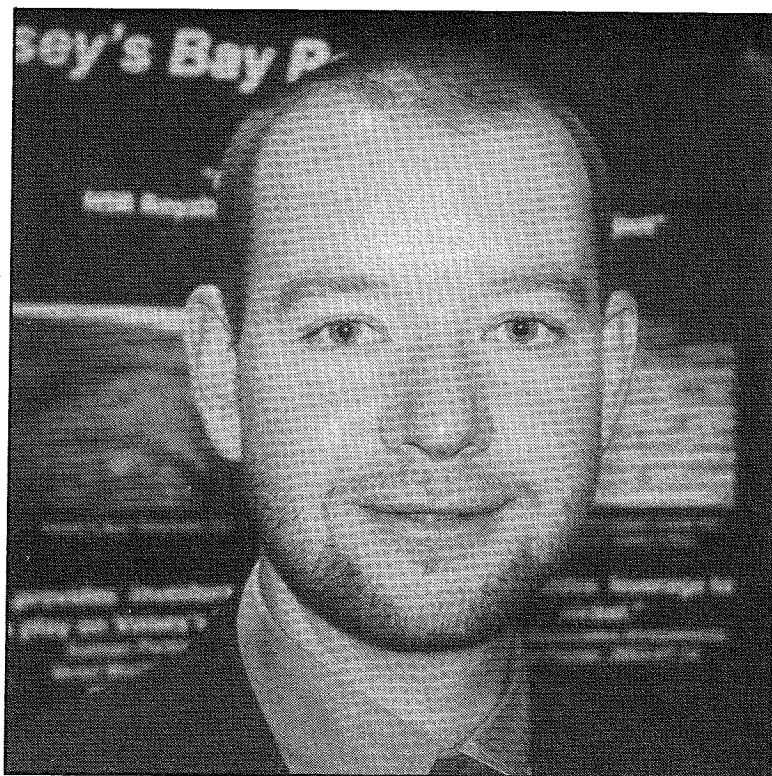
"If you looked at the overall value of the company (Altius) versus the value of the Aurora shares, it was out of balance," Dalton said. "And with all of the other things we've got on the go, too much of our business was based upon our shareholding in another company. It just felt like the prudent thing to do. We had no shortage of projects to put cash towards either."

Besides its interests in Aurora and the proposed oil refinery, Altius has a 30 per cent position in Rambler Metals and Mining, which is looking at reactivating the former Ming copper mine on the Baie Verte Peninsula, a 17.5 per cent holding in Paragon Minerals, one of the most active junior explorers on the island, a share in a European nickel play, and a diverse range of exploration projects of its own.

If Aurora and Rambler proceed to mines, and the refinery gets built, Altius will have much more in the way of earnings to manage, along with the revenues coming in from its share of the Voisey's Bay nickel royalty that it bought before the mine went into operation.

And it's all because of the deal-making Dalton has done over the years.

"The fun stuff for us is creating these things," said Dalton, "setting up the businesses and navigating through the capital structuring and getting them up and running. If you look at Rambler, it has its own team and it's at the point now where it's running it". ■



Altius Minerals president Brian Dalton on the company's move to Toronto's main board: "It was time for it."

Movers and Shakers**Mining activity resumes in Baie Verte region**

He's kind of the mining ambassador of the Baie Verte Peninsula, so it was no surprise recently when **Anaconda Gold** hired **Allan Cramm** as the general manager of its Pine Cove mine.

Cramm, who is known both for his great love of the mining industry and its history in the region is also one of the funniest emcees and storytellers in the province. So the people working at Pine Cove are in for a treat.

Previously, Cramm ran both open pit and underground mining operations, most recently for **Richmont Mines** at its Nugget Pond and Hammerdown deposits.

"We're delighted to have Allan join our team, especially at this critical stage in the development of the Pine Cove gold mine," said Anaconda chairman **John Cook**. "Allan has a strong mine operations background and a record of success. He will play a key role in bringing Pine Cove to production and in managing the mining operation."

Anaconda has a 30 per cent interest in the Pine Cove project and is earning another 30 per cent. The deposit's owner is **New Island Resources** of St. John's.

New Island recently announced some personnel news of its own. The company has invited well-known St. John's businessman and political advisor **Leo Power** to join its board of directors. Power has interests in a number of restaurants and other businesses, has operated a consulting company for years and just recently joined the board of directors of **Crosshair Mining & Exploration**, which is working a major uranium play in Labrador.

Meanwhile, long time New Island chairman and president **Harold Wareham** is going to give up chairmanship of the company to make room for engineering consultant and businessman **Eric Jerrett** of Bay Roberts. Jerrett is a long time member of New Island's board of directors.

New Island had tongues wagging late last year when it closed its acquisition of the Nugget Pond gold milling facility on the Baie Verte peninsula and then sold it at a very

tidy profit to **Crew Gold Corporation** of Great Britain. Crew announced earlier this month that its plans to ship gold from a mine in Greenland to the Baie Verte peninsula for milling is ahead of schedule. The first delivery of ore will be shipped through South Brook next month and trucked to Nugget Pond. Crew Gold is building a dedicated unloading facility at Snook's Arm, which should be ready by mid-year.

Chequebook out

St. John's South - Mount Pearl MP and federal minister of Fisheries **Loyola Hearn** awarded a couple of big contracts recently.

Trident Construction Limited of St. John's is getting one of them, a \$528,000 contract to reconstruct a finger pier in **Arnold's Cove**.

"Federal contracts are open to all companies to bid on and are evaluated fairly, meaning any company, large or small, can compete and win," Hearn noted. "The work being done at Arnold's Cove is a significant investment to improve infrastructure for the fishing industry."

And Consilient Technologies Corporation of St. John's is getting a \$1.8 million repayable research and development loan to develop wireless technology.

Consilient is using the money as part of a \$5.5 million investment in data and messaging services for people who use mobile phones. The project will also allow more compatibility between mobile devices and networks.

"Consilient is extending its technological reach into mobile multimedia," said company CEO **Trevor Adey**. "The investment will enable Consilient to develop advanced software that will drive the adoption of multimedia services. Consumers will be able to access their e-mail, music, TV and other applications directly on their mobile phones."

Motorcycles sales rev up

Newfoundland had the second highest jump in motorcycle sales across Canada last year with an increase of 24.14 per cent, second only behind Alberta, which saw a 25.22 per cent sales leap.

Newfoundland was third in the country when it came to increased sales of off-highway vehicles, growing by 12.77 per cent.

"This is great news for the industry," said **Bob Ramsay**, president of the Motorcycle and Moped Industry. "Not only are

sales up, but the milder than usual weather has allowed riders of ATVs and motorcycles to enjoy a much longer riding season."

Strength in numbers

The chairman of **Newlab Clinical Research** is hoping that a new Newfoundland-based drug research consortium will grow the industry here.

The consortium includes **Newlab, TrialStat Corporation** and **Bio TheraGene Inc.**

Dr. Wayne Gulliver says the consortium will enhance Newfoundland's capacity to attract clinical research projects from large global pharmaceutical and biotechnology companies.

"This puts our local industry in a much stronger position to contribute to the overall growth and eventual expansion of clinical research in our province," Gulliver says. ■