



PRESS RELEASE
For immediate release

Studies on the Pointe-Noire facilities

MINE ARNAUD CONFIRMS SAVINGS ON THE ORDER OF \$82 MILLION

Sept-Îles, October 28, 2016 – In light of the results of a study conducted by Axor Experts-Conseils on the reuse of facilities at Pointe-Noire, Mine Arnaud confirms an \$82 million reduction of its construction costs. The initial capital investment required for the start-up of the apatite mining project now stands at \$772 million, a significant reduction largely due to the acquisition, by the Québec government last February, of infrastructure formerly held by Cliffs.

This study also determined what type of infrastructure and measures need to be implemented by Mine Arnaud in order to optimize its loading activities at the mine site and at Pointe-Noire, namely:

- Redesigning the loading system at the mine site
- Remodelling the concentrate storage silos at the mine
- Adding a new unloading station at Pointe-Noire
- Adding a new 600-metre conveyor at Pointe-Noire
- Purchasing 45 new railcars

In collaboration with the rail and port authorities at Pointe-Noire, the *Société ferroviaire et portuaire de Pointe-Noire*, it was determined that the following equipment could be reused by Mine Arnaud pending refurbishment and modifications:

- Six storage silos
- Four conveyors exiting the silos and feeding the ship loader
- Two transfer towers
- One ship loader

This is excellent news for Mine Arnaud: “Reusing this equipment makes perfect sense in a sustainable development perspective, but it also leads to substantial savings on our construction costs, which in turn further improves the economics of the project. The timing is also excellent for Mine Arnaud, as its investors are currently engaged in discussions with potential partners”, explained Michel Lafontaine, director of the Mine Arnaud project.

THE ARNAUD MINING PROJECT

Mine Arnaud is a wholly-owned subsidiary of Ressources Québec. Mine Arnaud manages, for and on behalf of the mining titleholders, Ressources Québec and Yara International ASA, the mining project

located in Arnaud Township. Mine Arnaud is committed to meeting the highest standards of the mining industry and to become a leading figure through its expertise, know-how, and its support and respect for communities and the environment.

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FOR MORE INFORMATION: Kateri C. Jourdain
Director of Community Relations and Communications
Tel.: 418 960-0060
Cell: 418 350-1574
Email: kjourdain@minearnaud.com