

Cautionary Notes

"Please read our cautionary notes to investors before proceeding."

The following are important notices for all investors regarding the information contained on this website. Please read these Cautionary Notes carefully and thoroughly.

Caution Regarding Forward Looking Statements

This website contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation.

These statements relate to future events or the future activities or performance of the Corporation. All statements, other than statements of historical fact are forward-looking statements. Information concerning mineral resource estimates and the preliminary economic analysis thereof may also be deemed to be forward-looking statements in that it reflects a prediction of the mineralization that would be encountered, and the results of developing and mining it, if a mineral deposit were to be developed and mined. Forward-looking statements may relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements..

These forward looking statements include, but are not limited to, statements concerning:

- the Corporation's strategies and objectives, both generally and specifically in respect of investments in any exploration development and operating projects;
- the potential for the expansion of the estimated resources;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Corporation's ongoing exploration programs on its properties;
- the Corporation's estimates of the quality and quantity of the resources at its mineral properties;
- the timing and cost of the planned future exploration programs in Labrador and elsewhere, and the timing of the receipt of results therefrom;
- the Corporation's future cash requirements;
- the potential for further upgrading of the concentrate from Labrador and the potential for the commercial production of pig iron from the Labrador concentrate;
- the potential for the commercial recovery of garnet, zircon and titanium from the slag resulting from the processing of Labrador concentrate to make pig iron;
- general business and economic conditions; and

- the Corporation's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations.

Although the Corporation believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Corporation's ability to predict or control, including, but not limited to, risks related to the Corporation's inability to identify one or more economic deposits on its properties or investments, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products or investments the Corporation may produce or plan to produce, the inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks and uncertainties disclosed in the Corporation's public filings on SEDAR and the CSE, and other information released by the Corporation and filed with the appropriate regulatory agencies.

Readers are referred to such documentation for a fuller discussion of these risks and uncertainties. Such statements are based on a number of assumptions which may prove incorrect, including, but not limited to, assumptions about investment in projects or companies and:

- the level and volatility of the price of commodities, metals and other mineral of potential value;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the planned exploration programs;
- conditions in the financial markets generally;
- the ability to secure the necessary consulting, drilling and related services and supplies on favourable terms in connection with its ongoing and planned exploration programs;
- the ability to attract and retain key staff;
- the accuracy of the resource estimates (including with respect to size and grade) and the geological, operational and price assumptions on which these are based;
- the timing of the ability to commence and complete the planned work;
- the anticipated terms of the consents, permits and authorizations necessary to carry out the planned exploration programs at the properties, projects or companies and the ability to comply with such terms on a safe and cost-effective basis;
- the ongoing relation with underlying optionors/lessors and the applicable regulatory agencies;
- that the metallurgy and recovery characteristics of samples from certain of the mineral properties are reflective of the deposit as a whole;
- the ability to negotiate and enter into appropriate off-take agreements for the potential products from any operation; and
- the ability to overcome any potential difficulties in adapting pilot scale operations and testing to commercial scale operations.

Forward-looking statements are effective only as of the date they are made, and the Corporation does not intend and does not assume any obligation, to update any forward looking statements, except as

required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Caution Regarding Adjacent or Similar Mineral Properties

This website may contain information with respect to adjacent or similar mineral properties in respect of which the Corporation has no interest or rights to explore or mine. Readers are cautioned that the Corporation has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties, and any production therefore or economics with respect thereto, are not indicative of mineral deposits on the Corporation's properties or the potential production from, or cost or economics of, any future mining of any of the Corporation's mineral properties.

Cautionary Note to US Investors Concerning Reserve and Resource Estimates

National Instrument 43-101 Standards of Disclosure of Mineral Projects ("NI 43-101") is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all reserve and resource estimates disclosed have been prepared in accordance with NI 43-101 and the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resource and Mineral Reserves, adopted by the CIM Council on November 14, 2004 (the "CIM Standards") as they may be amended from time to time by the CIM.

United States investors are cautioned that the requirements and terminology of NI 43-101 and the CIM Standards differ significantly from the requirements and terminology set forth in SEC Industry Guide 7. Accordingly, the Corporation's disclosures regarding mineralization may not be comparable to similar information disclosed by companies subject to SEC Industry Guide 7. Without limiting the foregoing, while the terms "mineral resources", "inferred mineral resources", "indicated mineral resources" and "measured mineral resources" are recognized and required by NI 43-101 and the CIM Standards, they are not recognized by the SEC and are not permitted to be used in documents filed with the SEC by companies subject to SEC Industry Guide 7. Mineral resources which are not mineral reserves do not have demonstrated economic viability, and US investors are cautioned not to assume that all or any part of a mineral resource will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher resource category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or pre-feasibility study, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit amounts. The term "contained ounces" is not permitted under the rules of SEC Industry Guide 7. In addition, the NI 43-101 and CIM Standards definition of a "reserve" differs from the definition in SEC Industry Guide 7. In SEC Industry Guide 7, a mineral reserve is defined as a part of a mineral deposit which could be economically and legally extracted or produced at the time the mineral reserve determination is made, and a "final" or "bankable" feasibility study is required to report reserves, the three-year historical price is used in any reserve or cash flow analysis of designated reserves and the primary environmental

analysis or report must be filed with the appropriate governmental authority. Accordingly, information contained in this website contains descriptions of the Corporation's mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

All of the Corporation's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via **www.sedar.com** and readers are urged to review these materials, including the technical reports filed with respect to the Corporation's projects.

Cautionary Note Regarding Third Party Links

The Corporation has provided links from this website to several other websites at arm's length to the Corporation. The viewer should be aware that in linking to these outside websites, he or she is leaving the Corporation's website and that the Corporation is not responsible for any aspect of the content of the other site.

General Disclaimer

The Corporation has taken all reasonable care in producing and publishing information contained on this web site, and will endeavor to do so regularly. Material on this site may still contain technical or other inaccuracies, omissions, or typographical errors, for which the Corporation assumes no responsibility. The Corporation does not warrant or make any representations regarding the use, validity, accuracy, completeness or reliability of any claims, statements or information on this site. Under no circumstances, including, but not limited to, negligence, shall the Corporation be liable for any direct, indirect, special, incidental, consequential, or other damages, including but not limited to, loss of programs, loss of data, loss of use of computer or other systems, or loss of profits, whether or not advised of the possibility of damage, arising from your use, or inability to use, the material on this site. The information is not a substitute for independent professional advice before making any investment decisions.

Furthermore, you may not modify or reproduce in any form, electronic or otherwise, any information on this site, except for personal use unless you have obtained our express permission.

The CSE has not reviewed the information on this web site and does not accept responsibility for the adequacy or accuracy of it.