



Bending Lake Iron Group Limited

Business Overview 2010 - 2011

Bending Lake Iron Group is positioned for success at managing the business of mining from the ground up. We have readily available resources, technology and infrastructure in Northwestern Ontario to enable Bending Lake to become a reliable, low cost, high quality producer of Merchant Pig Iron (MPI).

Work on the commercial development of the BL magnetite iron ore deposit is being expedited using responsible economic and environmental principles and the best available proven technology. We plan to make the highest and best use of existing local infrastructure bringing needed long-term benefits to the residents and communities of Northwestern Ontario.

The Company has made substantial progress through the economic downturn. We will continue to work on developing community partners, data collection and in-fill drilling. Permitting for the greenfield Open Pit development will continue to evolve over the next 2 years. The development of the MPI plant at Atikokan is proving an onerous but achievable task as well. Land leases, permits and approvals are expected to evolve and be in place in a timely manner. Once into production, Annual Net Revenues of the project are expected to reach \$243 million for the next 38-46 years. All told, more than 700 jobs will be created in the construction phase and 300 jobs maintained at the mine site and MPI plant.

We've had our ground breaking ceremonies so to speak with the shipment of the 500 ton bulk sample from the mine site to our forwarding yard at Wabigoon, ON and on to the assay lab for testing. The transport meant a few jobs for local contractors and the idea that we may be able to do further on-site crushing for ease of movement and cost savings in the long run.

The Environmental Assessment processes Canadian mining companies are required to follow hold us to a very high level of environmental standards. The laws of the land require proper consultation, inclusion and benefit from resource development. As our project has great potential for revitalizing the Ontario Iron Ore Mining Industry and will definitely breathe new life to Northwestern Ontario economy, we hope to attain great triumphs in 2011 and continue on this path to successful iron mining.

Over the next year we hope to be farther along in the approvals and permitting stage. By the end of 2011 our NI 43101 Measured Resource will be completed and our environmental assessment process will be progressing nicely. We will continue to pursue capital debt financing for the construction of the nearly \$1 Billion needed to start construction. We will continue to engage stakeholders including local communities, government, regulators and surrounding business partners with the aim of promoting positive, mutually beneficial outcomes in the area.

We endeavour to open channels of communication, engage with other local institutions such that benefits accrue to communities through the promotion of training, development, health and safety, environmental stewardship, enterprise development among others. Our managers, experts and colleagues will work cooperatively to trudge ahead and meet each challenge with enthusiasm.