



Ignace, Ontario - Volume 44, Number 36 - September 14, 2011

## More great economic news for Ignace! New Bending Lake Iron Ore Group plans will benefit the community

### Bending Lake Iron Group Limited

Henry Werelainen, President and Chief Executive Officer, Bending Lake Iron Group Limited, Dave McKay, Chief Administrative Officer, and Jay R Mackie, Chief Operating Officer, attended the September 8th Ignace Council Meeting to update their plans for the Bending Lake mine.

#### Ignace Supports Bending Lake Mining Project

Ignace Mayor Lee Kennard and Council offered their strong support for Bending Lake Iron Group Ltd. after hearing development plans put forward at the Council meeting.

"We have the infrastructure, municipal services and capacity to serve large economic development projects like this," he said "We're enthusiastic about the job it will bring and we encourage the regulators, consultants and the company to move the permitting process forward as quickly as possible for the benefit of the economy of Northwestern Ontario."

Mr. Werelainen outlined the project for the mine site located at Bending Lake, west of Ignace. "We've made a decision to develop an industrial site at Bending Lake, building a private short haul railway down from the CPR line near Kilditch. We've switched our business model a bit to put pellets into the North American market. We are now into our environmental studies, project description and terms of reference

for the Province. We will be going to construction as soon as the permitting process is complete."

The company expects construction to start in about two years, maintaining 700 jobs during construction and 300 full-time jobs when operating over the next 40 years.

"In the future, we'll likely track concentrate from Bending Lake to a pilot pig iron plant in Atkinson - somewhere between 50,000 tons to 500,000 ton plant," Mr. Werelainen explained. "We've always stated that we want to add value in the north."

He distributed a newsletter to update Mayor and Council on several aspects of the project, including a recent aboriginal trade mission to China. Jay Mackie said at the presentation to Council, "There is enough time for Ignace to think about how will they house and deal with 700 construction people for two years. We don't want to build a permanent housing facility at Bending Lake and the infrastructure that goes with that."

"We are hoping that people will commute from the various communities - Ignace, Dryden, Atkinson and smaller places," said Mr. Werelainen. "We think the labour force is here. You already have the homes, you already have the families, you just need people to come home and work next to their communities - that



would be our vision. We can become the lowest cost producer of iron in North America"

Ignace Council unanimously passed a resolution supporting the project.

#### Resolution of Support of Ignace Council

Ignace Municipal Council at their September 8 meeting passed the following resolution:

Whereas the Town of Ignace is looking to diversify the local economy, attract investment and focus growth in the area;

Whereas the Town of Ignace wants to retain experienced workers and youth by supporting good paying jobs in the region; and

Whereas the Town of Ignace has the infrastructure, municipal services and capacity to serve large economic development projects; and

Whereas the Bending Lake Iron Group Limited iron ore project has brought a tremendous amount of hope to our community since it will create many jobs, stimulate the local economy and provide an expansion and diversification of the local tax base;

Therefore be it resolved that the Ignace Town Council enthusiastically supports the Bending Lake Iron Ore Group Limited iron ore project and encourages the regulators, consultants and company to move the permitting process forward as quickly as possible for the benefit of the company, the community, the economy of Northwestern Ontario and all

other individuals, companies and groups who have an interest in the project.

#### History of Bending Lake Mining Exploration

The Bending Lake iron deposit is located 23 km south of Highway 17 along Highway 622, west of Ignace.

Iron exploration began in the Bending Lake area in 1933 with mapping by Thompson of the Ontario Department of Mines, in 1953-55 and 1963-65. Jalore

Mining Company Ltd. completed mapping, ground magnetic surveys, drilling and mineralogical testing. In 1967, Algoma Steel Ltd. did further mapping, drilling and mineralogical testing, and completed a preliminary feasibility study. In 1971-77, Stong Rock Iron Ore Mines Ltd. completed more drilling, conducted environmental surveys, collected a bulk sample and completed a second preliminary feasibility study. Henry Werelainen bought the mine in 2003.



Henry Werelainen explaining things at the spring meeting in Ignace.

