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Opportunity in waiting

By Jodi Lundmark, tbnewswatch.com



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From the left: Bending Lake Iron Group Ltd president and CEO Henry Wetelainen, Atikokan mayor Dennis Brown, director of technical services Mohammed Khan and project manager Jay Mackie ready to drop a Metis sash as sign of good fortune.

A Thunder Bay-based company secured a \$335-million loan guarantee to build an iron ore refining plant in Atikokan, but is stuck waiting for the province to approve the project.

Bending Lake Iron Group Ltd. wants to build the plant, which would produce merchant pig iron – used to make steel – with iron ore bought from the U.S. The ore would be shipped in from the states until the company could develop its own from a mine at Bending Lake, a booming iron deposit site decades ago, but is now a brownfield site.

If approved, the two-year construction phase of the project will employ more than 700 people and sustain a workforce of 320 people for and estimated 35-to-70 years, said company president and CEO Henry Wetelainen.

"This will start a new generation of producing merchant pig iron in Northern Ontario," said Wetelainen. "Ontario used to have five operating iron mines; we now have none. I think it's time we support our own industry and our own jobs."

The only hurdle left for the company is the approval for tenure on the Atikokan brownfield site.

"That's really the next step in this game," said Wetelainen. "We need that. I would prefer to build this plant in Ontario. I do have options ... for the overall economic benefit and utilization of raw resources, then Atikokan is by far the best site. It'll make our company a very competitive company."

The company submitted its business plan to the government six months ago and Wetelainen was told they'd like to study it further and wasn't given a timeline of when he'd hear back.

"I understand bureaucracy moves slowly ... but this should be a no-brainer," he said. "We need the jobs badly. We need the activity here ... I think they should bend over backwards to get this done. I thought we did the heavy lifting; we arranged the money."

Atikokan mayor Dennis Brown said the Bending Lake project would be huge for his town, which saw its two mines close 30 years ago.

"At one time Atikokan had 7,000 people living there," he said. "Now we're down to 3,400. I'm sure that if this happened, this would almost double the size of the community. There would be a great tax base for the community. This is something we all want. It can't get much better than that."

Brown said the province is taking too long to approve the project and the red tape makes it impossible for businesses that want to get started quickly.

"Somehow that has to change or as a province we lose out," he said. "The thing about this is it's an opportunity for Ontario to become a leader."

The process the Bending Lake group will use - Ironmaking Technology Mark Three - is also a green technology, which Wetelainen said is a good fit for Ontario's push for green initiatives.

Minister of Northern Development, Mines and Forestry Michael Gravelle said he's encouraged by the Bending Lake Iron Group's plan and he will work with the Ministry of Environment and Ministry of Natural Resources to help move the project forward.

