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## LOCAL

### Ore plan financed

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A \$335-million loan guarantee is kickstarting a series of mining developments in and around Atikokan that could mean a big economic boost for Northwestern Ontario.

Bending Lake Iron Group announced the funding on Thursday.

Company president and CEO Henry Wetelainen said the money will be used to develop an iron ore processing plant in Atikokan. The plant will make merchant pig iron, which will be sold back to the United States. Essentially, it allows Bending Lake Iron Group to start producing a product and a cash flow, he said.

At the same time, the company is working through the process that will allow it to open an iron mine at Bending Lake, about 80 kilometres north of Atikokan, a process, he said, which will be aided by the financing.

"This will start a new generation of producing merchant pig iron in Northern Ontario," Wetelainen said. "Ontario used to have five operating iron mines; we have none (now). We buy all of our iron ore from either Minnesota or Quebec.

"I think it's time that we start to support our own industry and our own jobs in the North."

The first phase, the processing plant, will mean 200 construction jobs over two years, Wetelainen said. The mine would employ hundreds more during construction and over its projected 35- 70-year lifespan, he said.

Atikokan Mayor Dennis Brown, who was at Bending Lake Iron Group's Thunder Bay office for Thursday's announcement, said securing the financing was a "mammoth" step.

"This is something we've been waiting on for quite some time," Brown said. "This is huge."

And while he said the project will provide an economic boost to the region and government – word Thursday was that the mine will pay billions in taxes to the federal and provincial governments over its lifespan – the town of Atikokan could see particularly good things come of it.

"At one time, Atikokan had 7,000 people that lived there," he said. "Now, we're down to about 3,400, and I'm sure that if this happened, this would double the size of the community. There would be no unemployment, anybody that wanted to work would have a job. There'd be a great tax base for the community."

There is still a potential roadblock: The company is waiting for the provincial government to give it the lease on the land that the processing plant is to occupy.

"This should be a no-brainer," Wetelainen said. "I'm not there asking for them to finance this in any way, shape or form."

Bending Lake Iron Group has submitted a project description, and government officials said they want to study it further, Wetelainen said. The project description was submitted about six months ago, he said, although the company has been working on the project and securing financing for three years.

"I'd prefer to build this plant in Ontario," he said. "I'd like to build it in Northern Ontario.

"Atikokan is by far the best site," he said. "I would like the approval as quickly as possible."

Northern Development, Mines and Forestry Minister Michael Gravelle said Thursday he's excited that the company has landed the financing, and he's met with Wetelainen and members of the board, as well as Brown.

"I think there is still some work to be done related to permitting," he said. "Issues related to the Ministry of the Environment and Ministry of Natural Resources.

"Once I heard the news, my first thought was that I will be in touch immediately with those ministries to see where the applications are at, and to encourage this process to move forward."

Assuming things go well, Wetelainen said, the company could be breaking ground on the processing plant in the fall, and the mine could be through the permitting process in a 18 months.

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