

news release

North Atlantic Natural Resources and Boliden Mineral sign letter of intent to develop jointly the Storliden Deposit

STOCKHOLM, SWEDEN (October 31, 2000) – North Atlantic Natural Resources AB (NAN) and Boliden Mineral AB (Boliden) announced today that they had signed a letter of intent to develop jointly the Storliden zinc-copper deposit owned by NAN and located in the Skellefte mineral district in northern Sweden. The Storliden deposit contains approximately 1.8 million tonnes of ore grading 10.3% zinc and 3.5% copper. NAN and Boliden intend to mine and process between 250,000 and 350,000 tonnes of Storliden ore per year once commercial production begins, which is scheduled for early 2002, giving the Storliden deposit an approximately six-year mine life.

NAN will develop and mine the Storliden deposit and deliver all the ore mined from the deposit to Boliden. Boliden will process the Storliden ore at its mill located near the town of Boliden to produce zinc and copper concentrates. NAN will be responsible for financing the development of the Storliden deposit. Boliden will be responsible for financing the changes required to be made to the Boliden mill to accommodate the Storliden ore. Discussions with third parties with respect to financing are well advanced.

NAN's financing requirements include \$5 million on account of expenditures incurred by NAN to date in connection with the Storliden deposit to permit NAN to continue its exploration program in the Skellefte district and elsewhere until it begins to receive cash flow from the Storliden deposit. Boliden will advance this amount if NAN is unable to obtain this amount from third parties. If requested by NAN, Boliden will supply to NAN the engineering and other technical services required by NAN to develop and mine the Storliden deposit.

NAN and Boliden will share a calculated net smelter return on the concentrates produced by Boliden from the Storliden ore after both parties have recovered their operating and financing costs. NAN's share will be two-thirds and Boliden's one-third.

NAN and Boliden will also examine the joint development of NAN's Norrmliden deposit on the same basis as the Storliden deposit.

The transaction is subject to negotiation and settlement of satisfactory definitive agreements, receipt of satisfactory financing and receipt of satisfactory regulatory approvals.

For further information contact:

Edward F. Posey
Managing Director
North Atlantic Natural Resources AB
Kungsgatan 62
SE-753 18 Uppsala, Sweden
Telephone: +46 18 65 60 00
Mobile: +46 70 511 78 42

Thomas Cederborg
Managing Director
Boliden Mineral AB
Gävlegatan 22
SE-100 31 Stockholm, Sweden
Telephone: +46 8 610 1602,
mobile +46 708-48 05 21