

## Opta Minerals Inc. Reports Third Quarter Results for Fiscal 2011

WATERDOWN, ONTARIO--(Marketwire – November 9<sup>th</sup>, 2011) - Opta Minerals Inc. (TSX:OPM), today announced results for the three and nine months ended September 30, 2011. All figures are reported in U.S. dollars and in accordance with International Financial Reporting Standards (IFRS), except where otherwise noted.

### Financial Highlights (presented in \$000s USD except per share amounts):

	3 months ended September 30, 2011	3 months ended September 30, 2010	Increase (Decrease)	%	9 months ended September 30, 2011	9 months ended September 30, 2010	Increase (Decrease)	%
Revenue	\$24,102	\$20,421	\$3,682	18.0%	\$70,495	\$59,492	\$11,003	18.5%
Gross Profit	5,179	5,200	(21)	(0.4%)	15,833	15,200	633	4.2%
	21.5%	25.5%	(4.0%)		22.5%	25.5%	(3.0%)	
EBITDA <sup>1</sup>	2,569	3,863	(1,294)	(33.5%)	9,121	9,270	(149)	(1.6%)
EBIT <sup>2</sup>	1,519	2,828	(1,309)	(46.3%)	6,006	6,232	(226)	(3.6%)
Net Earnings	628	1,539	(911)	(59.2%)	3,086	3,248	(162)	(5.0%)
EPS	\$0.03	\$0.08	(\$0.05)		\$0.17	\$0.18	(\$0.01)	

1) EBITDA is a non-GAAP measure; refer to Footnotes.

2) EBIT is a non-GAAP measure; refer to Footnotes.

David Kruse, President and CEO of Opta Minerals, noted “During the third quarter, Opta Minerals experienced a solid increase in revenue. Earnings in the steel sector were offset by weakness in the industrial minerals sector. We have continued to increase production and monitor our cost structure. We are cautiously optimistic with the direction of the economic environment on our business.”

### Operational Highlights:

- Revenue growth for the quarter in the Mill and Foundry Products and Services segment increased 31.5% quarter-over-quarter due to demand for magnesium based reagent blends and, the Abrasive Products Manufacturing and Distribution segment decreased 6.1% quarter-over-quarter due to a decrease in demand for metallurgical slags.
- Gross profit has declined quarter-over-quarter and year-over-year as a result of weakness in the industrial minerals sector and uncertain economic environment.
- Selling, general and administrative expenses decreased to 14.0% of revenue for the third quarter of 2011 from 16.3% for the comparable quarter in 2010. Most of the decrease was a result of the cost reduction initiatives implemented by management during the past few years offset slightly by the relative strength of the Canadian dollar against the U.S. dollar which impacted the reported value of corporate costs largely denominated in Canadian dollars.
- Net earnings in the third quarter decreased 59.2% over the comparable quarter in 2010. Most of this decrease is the result of an uncertain economic environment, a decrease in demand for metallurgical slags in the Abrasives segment and a foreign exchange loss in the amount of \$0.3 million before tax. There was a foreign exchange gain of \$1.0 million for the comparable quarter in 2010.

- For the three months ended September 30, 2011, cash flow from operating activities before changes in working capital generated \$1.9 million versus \$2.9 million in the third quarter of 2010. The positive cash flow was used to finance payments on accounts payable of \$2.3 million and taxes in the amount of \$1.2 million. Cash flow from the change in trade and other receivables and inventories amounted to \$3.8 million for the quarter.
- The Company's working capital at September 30, 2011 amounts to \$16.7 million and total assets were \$91.9 million, as compared to \$12.6 million and \$90.3 million respectively for the same period in 2010.
- The debt-to-equity ratio at September 30, 2011 was 0.65 to 1.00, versus 0.65 to 1.00 at September 30, 2010.

Opta Minerals President and CEO, David Kruse, plans to host a conference call at 10:00AM Eastern Standard Time on Monday November 14<sup>th</sup>, 2011 to discuss third quarter 2011 results and recent corporate developments. After opening remarks, there will be a question and answer period. This conference call can be accessed with the toll free dial-in number 1-(866) 322-1159 or 1-(416) 640-3404; quote confirmation code 7178344. If you are unable to listen live, the conference call will be archived and can be accessed between November 14<sup>th</sup>, 2011 and November 21<sup>st</sup>, 2011, with the toll free dial-in number 1-(888) 203-1112 or 1-(647) 436-0148 followed by pass code 7178344.

Opta Minerals is a vertically integrated provider of custom process solutions and industrial mineral products used primarily in the steel, foundry, loose abrasive cleaning, water-jet cutting and municipal water filtration industries. The Company has production and distribution facilities in Ontario, Quebec, Louisiana, South Carolina, Virginia, Maryland, Indiana, Michigan, New York, Texas, Florida, France and Slovakia. Opta has one of the broadest product lines in the industry.

For further information, please contact:

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## FOOTNOTES:

Earnings before income taxes and interest (“EBIT”); and earnings before interest, income taxes, depreciation and amortization (“EBITDA”) as defined below, are both non-IFRS earnings measures that do not have standardized measures prescribed by IFRS, and therefore may not be comparable to similar measures presented by other publicly traded companies.

	For the three Months Ended September 30		For the nine Months Ended September 30	
	2011	2010	2011	2010
	\$	\$	\$	\$
<b>Net Earnings for the Period</b>	628	1,539	3,086	3,248
Finance Expense	423	606	1,244	1,490
Provision for Income Taxes	468	683	1,676	1,494
Depreciation and Amortization	1,050	1,035	3,115	3,038
<b>EBITDA<sup>1</sup></b>	<b>2,569</b>	<b>3,863</b>	<b>9,121</b>	<b>9,270</b>
Subtract:				
Depreciation and Amortization	1,050	1,035	3,115	3,038
<b>EBIT<sup>2</sup></b>	<b>1,519</b>	<b>2,828</b>	<b>6,006</b>	<b>6,232</b>

### Notes

- 1) The term “EBITDA” refers to earnings before deducting interest expense, provision for income taxes, depreciation and amortization. The Company believes that EBITDA is useful supplemental information as it provides an indication of the results generated by the Company’s main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration asset depreciation. EBITDA is not a recognized measure under International Finance Reporting Standards (IFRS), and accordingly, investors are cautioned that EBITDA should not be construed as an alternative to net earnings or loss determined in accordance with IFRS as an indicator of the financial performance of the Company or as a measure of the Company’s liquidity and cash flows. The Company’s method of calculating EBITDA may differ from other issuers and accordingly, EBITDA may not be comparable to similar measures presented by other issuers.
- 2) The term “EBIT” refers to earnings before income taxes and interest expense. The Company believes that EBIT is useful supplemental information as it provides an indication of the results generated by the Company’s main business activities prior to taking into consideration how those activities are financed or taxed. EBIT is a non-IFRS earnings measure that does not have standardized measures prescribed by IFRS, and therefore may not be comparable to similar measures presented by other publicly traded companies.

This press release may contain “forward-looking statements” which reflect the current expectations of management of the Company regarding the Company’s future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as “may”, “would”, “could”, “should”, “will”, “anticipate”, “believe”, “plan”, “expect”, “intend”, “estimate”, “aim”, “endeavour”, “seek”, “predict”, “potential” and similar expressions have been used to identify these forward-looking statements. These statements reflect management’s current beliefs with respect to future events and are based on information currently available to management of the Company. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, cancellations of or the failure to renew purchase orders; production and delivery issues; quality, pricing and availability of raw materials; compliance with environmental regulations; exchange rate fluctuations as well as the other risks identified in the “Risk Factors” section of the Company’s Annual Information Form and other public filings (copies of which may be obtained at [www.sedar.com](http://www.sedar.com)). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by this press release. These factors should be considered carefully and reader should not place undue reliance on the forward-looking statements. Although any forward-looking statements contained in this press release are based upon what management currently believes to be reasonable assumptions, the Company cannot assure readers that actual results, performance or achievements will be consistent with these forward-looking statements, and management’s assumptions may prove to be incorrect. These forward-looking statements are made as of the date of this press release and, other than as required by law, the Company does not intend, and does not assume any obligation, to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

# Opta Minerals Inc.

## Interim Consolidated Balance Sheets

As at September 30, 2011, December 31, 2010 and September 30, 2010

(Unaudited)

Expressed in Thousands of US Dollars (except per share amounts and number of shares)

	September 30, 2011	December 31, 2010	September 30, 2010
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	\$ 4,590	\$ 495	\$ 909
Trade and other receivables	13,036	12,002	13,374
Income taxes recoverable	40	-	-
Inventories	20,255	19,259	20,118
	37,921	31,756	34,401
<b>Property, Plant and Equipment</b>	<b>16,646</b>	<b>16,410</b>	<b>16,519</b>
<b>Intangible Assets</b>	<b>28,125</b>	<b>29,255</b>	<b>29,602</b>
<b>Goodwill</b>	<b>6,019</b>	<b>6,019</b>	<b>6,496</b>
<b>Deferred Income Tax Assets</b>	<b>3,168</b>	<b>3,190</b>	<b>3,292</b>
	\$ 91,879	\$ 86,630	\$ 90,310
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables	7,641	9,126	11,109
Borrowings	12,316	6,659	7,524
Provisions	1,023	1,560	1,624
Other liabilities	233	427	531
Income taxes payable	-	250	929
Preference shares	45	46	45
	21,258	18,068	21,762
<b>Borrowings</b>	<b>14,807</b>	<b>16,559</b>	<b>16,735</b>
<b>Derivative Financial Instrument</b>	<b>467</b>	<b>892</b>	<b>1,095</b>
<b>Other Liabilities</b>	<b>1,624</b>	<b>1,486</b>	<b>1,813</b>
<b>Deferred Income Tax Liabilities</b>	<b>3,524</b>	<b>3,251</b>	<b>2,851</b>
<b>Deferred Income Tax Liability on Intangible Assets</b>	<b>8,193</b>	<b>8,510</b>	<b>8,701</b>
	49,873	48,766	52,957
<b>Equity Attributable to the Shareholders of the Company</b>			
<b>Capital Stock</b>			
Authorized – unlimited common shares and preference shares without par value			
Issued – 18,059,299 (December 31, 2010 – 18,036,974 September 30, 2010 – 18,033,519) common shares	17,675	17,632	17,626
<b>Contributed Surplus</b>	<b>3,238</b>	<b>2,781</b>	<b>2,535</b>
<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>(1,884)</b>	<b>(2,440)</b>	<b>(2,261)</b>
<b>Retained Earnings</b>	<b>22,977</b>	<b>19,891</b>	<b>19,453</b>
	42,006	37,864	37,353
	\$ 91,879	\$ 86,630	\$ 90,310

**Opta Minerals Inc.**  
**Interim Consolidated Income Statements**  
**For the Three Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

	<b>September 30, 2011</b>	<b>September 30, 2010</b>
<b>Revenue</b>	<b>\$ 24,102</b>	<b>\$ 20,421</b>
<b>Cost of Goods Sold</b>	<b>18,923</b>	<b>15,221</b>
<b>Gross Profit</b>	<b>5,179</b>	<b>5,200</b>
Selling, general and administrative expenses	<b>3,365</b>	<b>3,336</b>
Other expenses (income)	<b>295</b>	<b>(964)</b>
<b>Operating Profit</b>	<b>1,519</b>	<b>2,828</b>
Finance expense	<b>423</b>	<b>606</b>
<b>Profit for the Period Before Income Tax</b>	<b>1,096</b>	<b>2,222</b>
Income tax expense	<b>468</b>	<b>683</b>
<b>Profit for the Period Attributable to the Shareholders of the Company</b>	<b>\$ 628</b>	<b>\$ 1,539</b>
Earnings per share for the period - Basic and diluted	<b>0.03</b>	<b>0.08</b>

**Opta Minerals Inc.**  
**Interim Consolidated Income Statements**  
**For the Nine Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

	<b>September 30, 2011</b>	<b>September 30, 2010</b>
<b>Revenue</b>	<b>\$ 70,495</b>	<b>\$ 59,492</b>
<b>Cost of Goods Sold</b>	<b>54,662</b>	<b>44,292</b>
<b>Gross Profit</b>	<b>15,833</b>	<b>15,200</b>
Selling, general and administrative expenses	<b>10,106</b>	9,517
Other income	<b>(279)</b>	(549)
<b>Operating Profit</b>	<b>6,006</b>	<b>6,232</b>
Finance expense	<b>1,244</b>	1,490
<b>Profit for the Period Before Income Tax</b>	<b>4,762</b>	<b>4,742</b>
Income tax expense	<b>1,676</b>	1,494
<b>Profit for the Period Attributable to the Shareholders of the Company</b>	<b>\$ 3,086</b>	<b>\$ 3,248</b>
Earnings per share for the period - Basic and diluted	<b>0.17</b>	<b>0.18</b>

**Opta Minerals Inc.**  
**Interim Statement of Cash Flows**  
**For the Nine Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

	September 30, 2011	September 30, 2010
<b>Cash Provided by (Used in) -</b>		
<b>Operating Activities</b>		
Profit for the period	\$ 3,086	\$ 3,248
Items not affecting cash:		
Depreciation of property, plant and equipment	1,605	1,663
Amortization of intangible assets	1,510	1,375
Share-based payment expense	457	234
Non-cash finance expense	(28)	-
Deferred income taxes	(289)	(756)
Loss on disposal of property, plant and equipment	2	-
	<b>6,343</b>	<b>5,764</b>
Changes in non-cash working capital		
Trade and other receivables	(981)	(3,516)
Inventories	(1,069)	(3,060)
Trade and other payables	(1,346)	3,683
Provisions	(537)	(117)
Income taxes receivable and payable	(318)	1,492
	<b>2,092</b>	<b>4,246</b>
<b>Financing Activities</b>		
Proceeds from issuance of common shares – net of issuance costs	43	14
Proceeds from borrowings	5,975	-
Repayment of finance lease liability	(84)	-
Repayment of borrowings	(2,242)	(2,931)
	<b>3,692</b>	<b>(2,917)</b>
<b>Investing Activities</b>		
Proceeds on disposal of property, plant and equipment	4	-
Additions to property, plant and equipment	(1,572)	(1,158)
Additions to intangible assets	(66)	-
	<b>(1,634)</b>	<b>(1,158)</b>
<b>Foreign Exchange Loss on Cash Held in Foreign Currency</b>	<b>(55)</b>	<b>(43)</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>4,095</b>	<b>128</b>
<b>Cash and Cash Equivalents</b>		
Beginning of Period	495	781
End of Period	\$ 4,590	\$ 909
<b>Additional Cash Flow Information:</b>		
Interest paid	\$ 1,297	\$ 1,531
Income taxes paid	2,271	609

**Opta Minerals Inc.**  
**Interim Segmented Information**  
**For the Three Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

Intersegment revenues are recorded at transaction prices, which approximate cost. The Company's assets, operations and employees are located in Canada, the United States and Europe.

	Three Months Ended September 30, 2011			
	Mill and Foundry Products and Services	Abrasive Products Manu- facturing and Distribution Operations	Unallocated	Total
External revenue by market				
Canada	\$ 2,458	\$ 1,485	\$ -	\$ 3,943
U.S.	10,996	5,351	-	16,347
Europe	3,772	-	-	3,772
Other	3	37	-	40
Total revenue from external customers	17,229	6,873	-	24,102
Segment operating profit (loss)	2,201	(511)	(171)	1,519
Finance expense				(423)
Income tax expense				(468)
Profit for the period				628
Total assets as at September 30, 2011	54,791	31,361	5,727	91,879
Depreciation of property, plant and equipment	230	273	41	544
Amortization of intangible assets	460	6	40	506
Goodwill and intangible assets as at September 30, 2011	30,214	3,564	366	34,144
Expenditures on property, plant and equipment	\$ 646	\$ 96	\$ 18	\$ 760

**Opta Minerals Inc.**  
**Interim Segmented Information**  
**For the Three Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

	Three Months Ended September 30, 2010			
	Mill and Foundry Products and Services	Abrasive Products Manu- facturing and Distribution Operations	Unallocated	Total
External revenue by market				
Canada	\$ 2,763	\$ 1,595	\$ -	\$ 4,358
U.S.	7,758	5,652	-	13,410
Europe	2,559	-	-	2,559
Other	19	75	-	94
<b>Total revenue from external customers</b>	<b>13,099</b>	<b>7,322</b>	<b>-</b>	<b>20,421</b>
Segment operating profit	2,084	379	365	2,828
Finance expense				(606)
Income tax expense				(683)
Profit for the period				<u>1,539</u>
<b>Total assets as at September 30, 2010</b>	<b>55,533</b>	<b>33,305</b>	<b>1,472</b>	<b>90,310</b>
Depreciation of property, plant and equipment	273	270	37	580
Amortization of intangible assets	449	6	-	455
Goodwill and intangible assets as at September 30, 2010	32,510	3,588	193	36,291
Expenditures on property, plant and equipment	\$ 141	\$ 165	\$ 44	\$ 350

**Opta Minerals Inc.**  
**Interim Segmented Information**  
**For the Nine Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

	Nine Months Ended September 30, 2011			
	Mill and Foundry Products and Services	Abrasive Products Manu- facturing and Distribution Operations	Unallocated	Total
External revenue by market				
Canada	\$ 6,774	\$ 4,574	\$ -	\$ 11,348
U.S.	32,642	14,970	-	47,612
Europe	11,423	-	-	11,423
Other	46	66	-	112
<b>Total revenue from external customers</b>	<b>50,885</b>	<b>19,610</b>	<b>-</b>	<b>70,495</b>
Segment operating profit (loss)	7,478	(1,347)	(125)	6,006
Finance expense				(1,244)
Income tax expense				(1,676)
Profit for the period				<u>3,086</u>
Depreciation of property, plant and equipment	689	822	94	1,605
Amortization of intangible assets	1,375	19	116	1,510
Expenditures on property, plant and equipment	\$ 1,140	\$ 354	\$ 78	\$ 1,572

**Opta Minerals Inc.**  
**Interim Segmented Information**  
**For the Nine Months Ended September 30, 2011 and 2010**  
**(Unaudited)**  
**Expressed in Thousands of US Dollars**

	Nine Months Ended September 30, 2010			
	Mill and Foundry Products and Services	Abrasive Products Manu- facturing and Distribution Operations	Unallocated	Total
External revenue by market				
Canada	\$ 7,320	\$ 4,560	\$ -	\$ 11,880
U.S.	23,450	15,760	-	39,210
Europe	8,213	11	-	8,224
Other	36	142	-	178
<b>Total revenue from external customers</b>	<b>39,019</b>	<b>20,473</b>	<b>-</b>	<b>59,492</b>
Segment operating profit (loss)	5,881	955	(604)	6,232
Finance expense				(1,490)
Income tax expense				(1,494)
Profit for the period				<u>3,248</u>
Depreciation of property, plant and equipment	848	726	89	1,663
Amortization of intangible assets	1,357	18	-	1,375
<b>Expenditures on property, plant and equipment</b>	<b>\$ 199</b>	<b>\$ 654</b>	<b>\$ 305</b>	<b>\$ 1,158</b>