

Opta Minerals Inc. Reports Record Year End Results for Fiscal 2006

WATERDOWN, ONTARIO--(CCNMatthews – February 22, 2007) - Opta Minerals Inc.

(TSX:OPM), a vertically integrated producer, manufacturer, distributor and recycler of industrial minerals, silica-free loose abrasives, roofing shingle granules, specialty sands and related products, today announced record results for the year ended December 31, 2006. All figures are in Canadian dollars and in accordance with Canadian Generally Accepted Accounting Principles (GAAP), except where otherwise noted.

Highlights from 2006 and 2007:

- Net Earnings of \$3,989,000 an increase of 110% over 2005 results, and a 105% increase in earnings before interest, income taxes, depreciation and amortization (“EBITDA”).
- Positive cash flow from operating activities of \$8.0 million versus a use of cash totaling \$1.8 million for the year ended December 31, 2005.
- Acquisition of Magnesium Technologies Corporation during February 2006. Since acquisition, this profitable company generated approximately \$27.6 million in revenues during 2006, selling proprietary magnesium and desulphurization products to the steel industry in the U.S.
- Acquisition of Bimac Corporation during October 2006. This profitable company generated approximately U.S. \$7.5 million of revenue in 2005, selling its proprietary tundish and ladle insulators, fluxes and conditioners to the steel industry in Canada and the U.S..
- On Friday February 16, 2007 the Company acquired the assets of an industrial minerals production facility in Laval, Quebec. This 39,000 square foot leased facility is ideally suited to produce abrasive media for blasting purposes as well as garnet for both abrasive and water filtration applications. The assets were acquired from receivership for \$0.4 million. The plant is expected to begin commercial production early April, and the Company expects 2007 revenues from operations to be approximately \$1.0 million with continued strong internal growth in the following years.
- In the second quarter of 2007, the Company will begin producing magnesium desulphurization products for the Canadian foundry and steel industry at its Waterdown Ontario facility.

Opta Minerals reported record revenues and profits for the year ended December 31, 2006. Revenues in 2006 increased 73.2% to \$72.8 million, from \$42.0 million in 2005. Gross profit for the year increased by 97.1% to \$18.0 million or 24.8% of revenues versus \$9.2 million or 21.8% of revenues in 2005. EBITDA for the year increased 105% from \$5.4 million in 2005 to \$11.0 million for the year ended December 31, 2006. Finally, net earnings for the year increased 110% to \$4.0 million or \$0.24 per diluted common share

from \$1.9 million or \$0.12 per diluted common share for the twelve months ended December 31, 2005. Results for the year ended December 31, 2006 include \$1,047,000 in amortization of intangible assets that is primarily the result of the Magtech acquisition.

"Excluding the impact of foreign exchange, the Company's organic revenue growth rate is 6% over 2005. The strong results generated this year are evidence of the momentum and organic growth potential of existing operations and markets. In addition, the acquisition of Magtech in February 2006 and Bimac in October 2006 has significantly increased the Company's results compared to the prior year." said David Kruse, President and Chief Executive Officer.

Gross profit for the fourth quarter increased 192% from \$1.6 million (16.0% of revenue) for the three months ended December 31, 2005 to \$4.7 million (25.6% of revenue) for the three months ended December 31, 2006.

Net earnings for the fourth quarter were \$753,000 or \$0.05 per diluted common share, an increase of 442% from \$139,000 or \$0.01 per diluted common share in 2005.

The Company continues to maintain a strong balance sheet, with working capital of \$12.3 million and total assets of \$86.2 million. The debt to equity ratio as at December 31, 2006 was 0.64 to 1.00. The Company has cash resources of \$1.0 million and has available credit facilities of a further \$7.5 million. It is intended that these resources will be used to generate further shareholder value through strategic acquisitions and investment in the Company's existing operations.

Opta Mineral's President and CEO, David Kruse, plans to host a conference call at 1:00 PM Eastern Standard Time on Friday, February 23, 2007, to discuss the year end 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 (800) 967-7185 or (719) 457-2634 followed by pass code: 8625405. If you are unable to listen live, the conference call will be archived and can be accessed at the following replay numbers between February 23rd and March 1st with the toll free dial-in number 1 (888) 203-1112 or (719) 457-0820 followed by pass code: 8625405.

Opta Minerals is a vertically integrated producer, manufacturer, distributor and recycler of industrial minerals, silica-free loose abrasives, roofing shingle granules, specialty sands and related products for use primarily in the foundry, steel, marine/bridge cleaning and municipal water filtration industries. The Company has experienced solid growth since July 1995, through a combination of internal growth and successfully integrated strategic acquisitions to become one of the dominant regional suppliers of silica-free loose abrasives in a number of select markets on the east coast of North America.

The Company currently has production and distribution facilities in Ontario, Quebec, Louisiana, South Carolina, Virginia, Maryland, Indiana, Ohio, Michigan and New York and one of the broadest product lines in the industry. Recognizing that the fragmentation and lack of consolidation among suppliers in its industry has provided it with a strategic growth opportunity, the Company intends to capitalize on this opportunity to become one of the dominant North American suppliers of industrial minerals and silica-free loose abrasives. In order to achieve this objective, the Company intends to accelerate its revenue and market share growth over the

next several years by making a number of additional strategic acquisitions, through geographic expansion and through continued development of new products and services.

For further information, please contact:

Opta Minerals Inc.

David Kruse, President and Chief Executive Officer

James Wilson, Chief Financial Officer and Secretary

Tel: 905-689-6661, ext 401

investor_relations@optaminerals.com

Website: www.optaminerals.com

FOOTNOTES:

Earnings before interest, income taxes, depreciation and amortisation (“EBITDA”) as defined below, is a non-GAAP earnings measure that does not have a standardized measure prescribed by GAAP, and therefore may not be comparable to similar measures presented by other publicly traded companies.

	For the 12 Months Ended December 31	
	2006	2005
	\$	\$
Net Earnings for the Period	3,989	1,901
Interest Expense	1,721	485
Provision for Income taxes	2,235	1,492
Depreciation and Amortisation	3,018	1,480
EBITDA¹	10,963	5,358

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 Canadian GAAP, and accordingly, investors are cautioned that EBITDA should not be construed as an alternative to net earnings or loss determined in accordance with Canadian GAAP 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.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Factors that might cause a difference include, but are not limited to, those relating to fluctuations in the exchange rate between the U.S. dollar and the Canadian dollar and other currencies, general economic conditions and our ability to execute our growth strategy. Opta will not update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect Opta’s financial results is included in the documents Opta files from time to time with Canadian securities regulatory authorities.

Opta Minerals Inc.

Consolidated Statements of Earnings

For the three months ended December 31, 2006 and 2005

(Expressed in thousands of Canadian dollars, except per share amounts)

(Unaudited)

	2006	2005
	\$	\$
Revenue	18,296	10,050
Cost of goods sold	<u>13,605</u>	<u>8,444</u>
Gross profit	4,691	1,606
Selling, general and administrative expenses	<u>2,621</u>	<u>1,150</u>
Earnings before the following	<u>2,070</u>	<u>456</u>
Interest expense on long-term debt	327	138
Interest expense - net	157	-
Amortization of intangible assets	346	18
Stock compensation expense	39	27
Foreign exchange loss (gain)	<u>(42)</u>	<u>7</u>
Earnings before income taxes	1,243	266
Provision for income taxes	<u>490</u>	<u>127</u>
Net earnings for the period	<u>753</u>	<u>139</u>
Earnings per share for the period		
Basic and diluted	0.05	0.01

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Consolidated Statements of Earnings

For the year ended December 31, 2006 and 2005

(Expressed in thousands of Canadian dollars, except per share amounts)

(Unaudited)

	2006 \$	2005 \$
Revenue	72,779	42,017
Cost of goods sold	54,739	32,866
Gross profit	18,040	9,151
Selling, general and administrative expenses	9,115	4,859
Earnings before the following	8,925	4,292
Interest expense on long-term debt	1,202	510
Interest expense - net	519	(25)
Amortization of intangible assets	1,047	61
Stock compensation expense	192	481
Foreign exchange gain	(259)	(128)
Earnings before income taxes	6,224	3,393
Provision for income taxes	2,235	1,492
Net earnings for the period	3,989	1,901
Earnings per share for the period		
Basic and diluted	0.24	0.12

Opta Minerals Inc.

Consolidated Balance Sheets

As at December 31, 2006 and 2005

(Expressed in thousands of Canadian dollars, except per share amounts)

(Unaudited)

	December 31, 2006 \$	December 31, 2005 \$
Assets		
Current assets		
Cash and cash equivalents	995	4,077
Accounts receivable	9,453	6,394
Inventories	16,383	15,238
Income taxes receivable (payable)	289	-
Prepaid expenses and other current assets	1,740	507
	<u>28,860</u>	<u>26,216</u>
Property, plant and equipment – net	20,528	13,003
Intangible and other assets - net	24,058	613
Goodwill	11,851	7,611
Future income taxes	936	636
	<u>86,233</u>	<u>48,079</u>
Liabilities		
Current liabilities		
Bank indebtedness	7,869	-
Accounts payable and accrued liabilities	5,699	3,924
Current portion of long-term debt	2,909	1,010
Current portion of preference shares	46	77
Income taxes payable	-	10
	<u>16,523</u>	<u>5,021</u>
Long-term debt	14,858	7,005
Other long term liabilities	2,506	-
Future income taxes	12,549	657
	<u>46,436</u>	<u>12,683</u>
Shareholder's Equity		
Capital stock		
Authorized: Unlimited number of common shares and preference shares without par value		
Issued		
16,964,539 (December 31, 2005 – 16,952,574) common shares	18,289	18,250
Contributed surplus	1,429	1,237
Retained earnings	21,696	17,707
Currency Translation Adjustment	(1,617)	(1,798)
	<u>39,797</u>	<u>35,396</u>
	<u>86,233</u>	<u>48,079</u>

Opta Minerals Inc.

Segmented Information

For the three months ended December 31, 2006

(Expressed in thousands of Canadian dollars)

(Unaudited)

For the three month period ended December 31, 2006

	Mill and foundry products and services \$	Abrasive manufacturing and distribution operations \$	Unallocated Corporate Costs \$	Total \$
External revenue by market				
Canada	2,984	1,796	-	4,780
U.S.	9,548	3,908	-	13,456
Other	53	7	-	60
Total revenue from external customers	<u>12,585</u>	<u>5,711</u>	<u>-</u>	<u>18,296</u>
Segment net earnings before interest expense and income taxes	1,685	893	(851)	1,727
Interest expense on long-term debt				327
Interest expense - net				157
Provision for income taxes				<u>490</u>
Net earnings				<u>753</u>
Total assets as at December 31, 2006	<u>47,223</u>	<u>37,784</u>	<u>1,226</u>	<u>86,233</u>
Amortization of property plant and equipment	<u>117</u>	<u>436</u>	<u>2</u>	<u>555</u>
Amortization of intangible assets	<u>332</u>	<u>14</u>	<u>-</u>	<u>346</u>
Goodwill and intangible assets as at December 31, 2006	<u>27,699</u>	<u>8,066</u>	<u>-</u>	<u>35,765</u>
Expenditures on property, plant and equipment	<u>234</u>	<u>160</u>	<u>47</u>	<u>460</u>

Opta Minerals Inc.

Segmented Information

For the year ended December 31, 2006

(Expressed in thousands of Canadian dollars)

(Unaudited)

For the year ended December 31, 2006

	Mill and foundry products and services \$	Abrasive manufacturing and distribution operations \$	Unallocated Corporate Costs \$	Total \$
External revenue by market				
Canada	12,466	9,553	-	22,019
U.S.	31,600	18,251	-	49,851
Other	865	44	-	909
Total revenue from external customers	<u>44,931</u>	<u>27,848</u>	-	<u>72,779</u>
Segment net earnings before interest expense and income taxes	5,729	4,635	(2,419)	7,945
Interest expense on long-term debt				1,202
Interest expense - net				519
Provision for income taxes				<u>2,235</u>
Net earnings				<u>3,989</u>
Amortization of property plant and equipment	<u>548</u>	<u>1,419</u>	4	<u>1,971</u>
Amortization of intangible assets	<u>985</u>	<u>62</u>	-	<u>1,047</u>
Expenditures on property, plant and equipment	<u>809</u>	<u>696</u>	113	<u>1,618</u>
Expenditures on goodwill	<u>4,071</u>	<u>61</u>	-	<u>4,132</u>

Opta Minerals Inc.

Segmented Information

For the three months ended December 31, 2005

(Expressed in thousands of Canadian dollars)

(Unaudited)

For the three month period ended December 31, 2005

	Mill and foundry products and services \$	Abrasive manufacturing and distribution operations \$	Unallocated Corporate Costs \$	Total \$
External revenue by market				
Canada	2,605	2,650	-	5,255
U.S.	362	4,424	-	4,786
Other	-	9	-	9
Total revenue from external customers	<u>2,967</u>	<u>7,083</u>	<u>-</u>	<u>10,050</u>
Segment net earnings before interest expense and income taxes	264	680	(540)	404
Interest expense on long term debt				138
Provision for income taxes				<u>127</u>
Net earnings				<u>139</u>
Total assets as at December 31, 2005	<u>1,980</u>	<u>44,626</u>	<u>1,473</u>	<u>48,079</u>
Amortization of property plant and equipment	<u>14</u>	<u>380</u>	<u>-</u>	<u>394</u>
Amortization of intangible assets	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>
Goodwill and intangible assets as at December 31, 2005	<u>-</u>	<u>8,057</u>	<u>-</u>	<u>8,057</u>
Expenditures on property, plant and equipment	<u>116</u>	<u>648</u>	<u>-</u>	<u>764</u>

Opta Minerals Inc.

Segmented Information

For the year ended December 31, 2005

(Expressed in thousands of Canadian dollars)

(Unaudited)

For the year ended December 31, 2005

	Mill and foundry products and services \$	Abrasive manufacturing and distribution operations \$	Unallocated Corporate Costs \$	Total \$
External revenue by market				
Canada	7,890	14,985	-	22,875
U.S.	723	18,275	-	18,998
Other	-	144	-	144
Total revenue from external customers	<u>8,613</u>	<u>33,404</u>	-	<u>42,017</u>
Segment net earnings before interest expense and income taxes	824	5,306	(2,255)	3,875
Interest expense on long term debt				510
Interest expense – net				<u>(25)</u>
Provision for income taxes				<u>1,492</u>
Net earnings				<u>1,901</u>
Amortization of property plant and equipment	<u>39</u>	<u>1,380</u>	-	<u>1,419</u>
Amortization of intangible assets	<u>-</u>	<u>61</u>	-	<u>61</u>
Expenditures on property, plant and equipment	<u>333</u>	<u>2,455</u>	-	<u>2,788</u>