

Opta Minerals Inc. Reports Second Quarter Results for Fiscal 2005

WATERDOWN, ON, Tuesday August 9, 2005 – Opta Minerals Inc. (TSX: OPM, OPM.WT), a vertically integrated producer, manufacturer, distributor and recycler of silica-free loose abrasives, industrial minerals, specialty sands and related products, today announced results for the quarter ended June 30, 2005. All figures are in Canadian dollars and in accordance with Canadian Generally Accepted Accounting Principles (GAAP), except where otherwise noted.

Highlights:

- Continued revenue growth of 9.5% for the 12 months ended June 30, 2005.
- Closing the acquisition of certain assets of the abrasive products division of Hillcrest Industries Inc. located in Attica, New York
- Opening of a new distribution facility in Brantford, Ontario to expand sales of value added industrial minerals.
- Successful start-up of the Baltimore and Hardeeville plants, now operating at commercial production levels. On a combined basis these plants generated \$1.1 million in revenue during the quarter.

Opta Minerals reported 2005 second quarter revenue of \$12.2 million, bringing year to date revenue to \$21.7 million, a 2% increase over the first half of 2004. Earnings before income taxes and stock compensation expense for the quarter were \$1.9 million, bringing year to date earnings before income taxes and stock compensation expense to \$2.7 million, an increase of 2% over the first half of 2004.

"We continue to show great momentum with a revenue increase of 9.5% over the twelve months ended June 30, 2005. With the Baltimore and Hardeeville plants now operating at commercial production levels, and the start-up of the newly acquired Attica facility to be completed by mid August, revenue is expected to expand significantly in the second half of 2005" said David Kruse, President and Chief Executive Officer.

Net earnings for the second quarter were \$1,108,000 or \$0.07 per diluted common share, bringing year to date earnings to 1,216,000 or \$0.08 per diluted common share as compared to \$1,647,000 or \$0.14 per diluted common share in 2004. Year to date results for the six months ended June 30, 2005 include \$432,000 in non deductible expenses relating to stock compensation granted to employees, officers and directors of the Company.

The Company continues to maintain a strong balance sheet, with working capital of \$22.6 million and total assets of \$50.6 million. The debt to equity ratio as at June 30, 2005 was 0.29 to 1.00. The Company has cash resources of approximately \$9.4 million and has secured a credit facility agreement for further financing of up to \$12.0 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 10:00 AM Eastern Standard Time, on Friday August 12, 2005, to discuss quarterly 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 (800) 310-6649 or (719) 457-2698 followed by pass code: 7239684#. If you are unable to listen live, the conference call will be archived and can be accessed at the following replay numbers between August 12th and August 16th with the toll free dial-in number (888) 203-1112 or (719) 457-0820 followed by pass code: 7239684#.

Opta Minerals is a vertically integrated producer, manufacturer, distributor and recycler of silica-free loose abrasives, industrial minerals, 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. These results were achieved while the Company was an operating group of SunOpta and during a period in which SunOpta dedicated the majority of its resources to building its core organic and natural food business.

The Company currently has production and distribution facilities in Ontario, Quebec, Louisiana, South Carolina, Virginia, Maryland 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 silica-free loose abrasives while at the same time leveraging this core expertise to expand its breadth of services and product offering in other industrial minerals. 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:

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FOOTNOTES:

Earnings before income taxes and stock compensation expense as defined below, is a non-GAAP earnings measure that does not have standardized measures prescribed by GAAP, and therefore may not be comparable to similar measures presented by publicly traded companies.

This news release contains references to earnings before income taxes and stock compensation expense. Opta defines earnings before income taxes and stock compensation as gross profit less selling general and administrative expenses, interest expense, other income and Foreign exchange. This is a non-GAAP earnings measure which is used by Opta to assess the operating performance of its ongoing business.

	For the three month period ended June 30,	
	2005 \$	2004 \$
Earnings before income taxes and stock compensation expense	1,867	2,148
Stock Compensation Expense	26	-
Provision for Income Taxes	733	816
Net Earnings for the Period on a GAAP basis	1,108	1,332

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 June 30, 2005 and 2004

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

(Unaudited)

	2005	2004
	\$	\$
Revenue	12,242	12,549
Cost of goods sold	9,004	9,024
Gross profit	3,238	3,525
Selling, general and administrative expenses	1,221	1,237
Earnings before the following	2,017	2,288
Interest expense - net	139	152
Stock compensation expense	26	-
Foreign exchange gain	11	(12)
Earnings before income taxes	1,841	2,148
Provision for income taxes	733	816
Net earnings for the period	1,108	1,332
Earnings per share for the period		
Basic and diluted	0.07	0.11

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Consolidated Statements of Earnings

For the six months ended June 30, 2005 and 2004

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

(Unaudited)

	2005	2004
	\$	\$
Revenue	21,736	21,277
Cost of goods sold	16,388	16,272
Gross profit	5,348	5,005
Selling, general and administrative expenses	2,479	2,117
Earnings before the following	2,869	2,888
Interest expense - net	232	245
Stock compensation expense	432	-
Foreign exchange gain	(58)	(12)
Earnings before income taxes	2,263	2,655
Provision for income taxes	1,047	1,008
Net earnings for the period	1,216	1,647
Earnings per share for the period		
Basic and diluted	0.08	0.14

Opta Minerals Inc.

Consolidated Balance Sheets

As at June 30, 2005 and December 31, 2004

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

(Unaudited)

	June 30, 2005 \$	December 31, 2004 \$
Assets		
Current assets		
Cash and cash equivalents	9,434	448
Accounts receivable	7,505	5,845
Inventories	11,467	9,073
Prepaid expenses and other current assets	549	1,177
Due from Affiliates	1,129	-
	<u>30,084</u>	<u>16,543</u>
Property, plant and equipment – net	12,204	11,464
Goodwill and intangible assets - net	8,288	7,841
	<u>50,576</u>	<u>35,848</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	4,425	3,850
Due to affiliates	2,618	15,704
Current portion of long-term debt	160	173
Current portion of preference shares	104	109
Income taxes payable	224	-
	<u>6,878</u>	<u>19,836</u>
Long-term portion of due to affiliates	7,455	-
Long-term debt	10	15
Long-term portion of preference shares	3	28
Future income taxes	498	1,192
	<u>15,497</u>	<u>21,071</u>
Shareholder's Equity		
Capital stock		
Authorized: Unlimited number of common shares and preference shares without par value		
Issued		
16,950,000 (December 31, 2004 - 100) common shares	18,248	-
Contributed surplus	812	-
Retained earnings	17,022	15,806
Currency Translation Adjustment	(1,003)	(1,029)
	<u>35,079</u>	<u>14,777</u>
	<u>50,576</u>	<u>35,848</u>

Opta Minerals Inc.

Segmented Information

For the three months ended June 30, 2005

(Expressed in thousands of Canadian dollars)

(Unaudited)

	June 30, 2005		
	Manufacturing and distribution operations	St. Bruno de Guigues quarry operations	Total
	\$	\$	\$
External revenue by market			
Canada	5,898	527	6,425
U.S.	5,676	89	5,765
Other	52	-	52
Total revenue from external customers	<u>11,626</u>	<u>616</u>	<u>12,242</u>
Segment net earnings (loss) before interest expense and income taxes	1,890	90	1,980
Interest expense			139
Provision for income taxes			<u>733</u>
Net earnings			<u>1,108</u>
Total assets as at June 30, 2005	<u>47,598</u>	<u>2,978</u>	<u>50,576</u>
Amortization	<u>301</u>	<u>45</u>	<u>346</u>
Goodwill and intangible assets as at June 30, 2005	<u>8,288</u>	<u>-</u>	<u>8,288</u>
Expenditures on property, plant and equipment	<u>729</u>	<u>85</u>	<u>814</u>

Opta Minerals Inc.

Segmented Information

For the three months ended June 30, 2004

(Expressed in thousands of Canadian dollars)

(Unaudited)

	June 30, 2004		
	Manufacturing and distribution operations \$	St. Bruno de Guigues quarry operations \$	Total \$
External revenue by market			
Canada	6,719	589	7,308
U.S.	5,071	92	5,163
Other	78	-	78
Total revenue from external customers	<u>11,868</u>	<u>681</u>	<u>12,549</u>
Segment net earnings before interest expense and income taxes	2,071	229	2,300
Interest expense			152
Provision for income taxes			816
Net earnings			<u>1,332</u>
Total assets as at June 30, 2004	<u>32,972</u>	<u>3,860</u>	<u>36,832</u>
Amortization	<u>229</u>	<u>52</u>	<u>281</u>
Goodwill and intangible assets as at June 30, 2004	<u>8,392</u>	<u>-</u>	<u>8,392</u>
Expenditures on property, plant and equipment	<u>1,163</u>	<u>45</u>	<u>1,208</u>

Opta Minerals Inc.

Segmented Information

For the six months ended June 30, 2005

(Expressed in thousands of Canadian dollars)

(Unaudited)

	June 30, 2005		
	Manufacturing and distribution operations \$	St. Bruno de Guigues quarry operations \$	Total \$
External revenue by market			
Canada	11,210	820	12,030
U.S.	9,496	145	9,641
Other	65	-	65
Total revenue from external customers	<u>20,771</u>	<u>965</u>	<u>21,736</u>
Segment net earnings (loss) before interest expense and income taxes	2,443	52	2,495
Interest expense			232
Provision for income taxes			<u>1,047</u>
Net earnings			<u>1,216</u>
Amortization	<u>613</u>	<u>85</u>	<u>698</u>
Expenditures on property, plant and Equipment	<u>959</u>	<u>88</u>	<u>1,047</u>

Opta Minerals Inc.

Segmented Information

For the six months ended June 30, 2004

(Expressed in thousands of Canadian dollars)

(Unaudited)

	June 30, 2004		
	Manufacturing and distribution operations \$	St. Bruno de Guigues quarry operations \$	Total \$
External revenue by market			
Canada	9,584	993	10,577
U.S.	10,361	132	10,493
Other	207	-	207
Total revenue from external customers	<u>20,152</u>	<u>1,125</u>	<u>21,277</u>
Segment net earnings before interest expense and income taxes	2,634	266	2,900
Interest expense			245
Provision for income taxes			<u>1,008</u>
Net earnings			<u>1,647</u>
Amortization	<u>527</u>	<u>96</u>	<u>624</u>
Expenditures on property, plant and equipment	<u>1,433</u>	<u>63</u>	<u>1,496</u>