

Opta Minerals Inc. Reports Year End Results for Fiscal 2005

WATERDOWN, ONTARIO--(CCNMatthews – Feb 22, 2006) - Opta Minerals Inc. (TSX:OPM)(TSX: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 year ended December 31, 2005. All figures are in Canadian dollars and in accordance with Canadian Generally Accepted Accounting Principles (GAAP), except where otherwise noted.

Highlights from 2005 and 2006:

- Completion of the Company's initial public offering and exercise of the underwriter's over allotment option generating \$17.5 million in net proceeds.
- 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.
- Long term debt restructured to reduce interest and preserve cash in operations.
- Continued development and introduction of new products into the marketplace.
- Acquisition of Magnesium Technologies Corporation, an operation with \$35.0 million in annual revenues and facilities located in Ohio and Indiana.

The Company achieved record revenues and gross profit for the year ended December 31, 2005. Revenues in 2005 increased by 0.8% to \$42,017,000 from \$41,680,000 in 2004. Gross profit for the year increased by 2.5% to \$9,151,000 from \$8,926,000 in 2004. Earnings before income taxes and stock compensation expense for the year was \$3,874,000, a decrease of 7.8% over 2004.

"Results from US operations have been significantly impacted by the decline in value of the US dollar and the continued effects of hurricanes Katrina & Rita on operations in New Orleans. Efforts to conduct repairs to our New Orleans facility continued during the fourth quarter. Currently repairs are underway and electricity and water are expected to be restored to the area by the end of March. Current year earnings before taxes from the New Orleans operation were \$1,000 versus \$176,000 in 2004. Had the foreign exchange rate remained consistent with 2004, and if results from New Orleans had been similar

to 2004, year to date earnings before taxes and stock compensation expense would have been \$4,300,000 versus \$4,204,000 in 2004” said David Kruse, President and Chief Executive Officer.

Net earnings for the year were \$1,901,000 or \$0.11 per diluted common share as compared to \$2,407,000 or \$0.20 per diluted common share in 2004. Results for 2005 include \$481,000 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 \$21,362,000 and total assets of \$48,079,000. The debt to equity ratio as at December 31, 2005 was 0.23 to 1.00. The Company has cash resources of approximately \$4,077,000 and has available credit facilities of a further \$12,500,000. 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. A portion of these facilities were drawn upon on February 15, 2006 to finance the acquisition of Magnesium Technologies Corporation.

On February 15th, 2006 the Company announced that it had acquired 100% of the outstanding shares of Magnesium Technologies Corporation (“MagTech”). For fiscal 2005 MagTech recorded revenues of approximately US \$29,000,000 selling its proprietary and patented desulphurization systems and products, which are produced to the specific requirements of each customer that it services within both the Canadian and United States steel industries. This profitable company employs approximately 70 people, and is a leader in new product development within its industry. MagTech maintains a very high level of customer specific technical service with its primary customers, through the use of onsite technicians who monitor and manage the use of its products in the desulphurization process. The addition of MagTech substantially increases Opta's position in the industrial minerals business and further expands its current position as a key service provider to the steel industry. MagTech's primary market is within North America, however opportunities exist to expand internationally. As part of the transaction, Opta has secured an option to acquire a control position in an affiliate employing MagTech technology in Europe, with approximately US \$8,000,000 in revenue. The total purchase price of US \$18,000,000 was comprised of cash of US \$12,000,000, and a long term note in the amount of US \$6,000,000. To finance the acquisition, available credit facilities were expanded by \$8,000,000 and drawn upon.

Opta Mineral's President and CEO, David Kruse, plans to host a conference call at 10:00 AM Eastern Standard Time, on Monday February 27th , to discuss 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 (800) 946-0783 or (719) 457-2658 followed by pass code: 5745749#. If you are unable to listen live, the conference call will be archived and can be accessed at the following replay numbers between February 28th and March 3rd with the toll free dial-in number (888) 203-1112 or (719) 457-0820 followed by pass code: 5745749#.

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, Indiana, Ohio 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 Year Ended December	
	31	
	2005	2004
	\$	\$
Earnings before income taxes and stock compensation expense	3,874	4,204
Stock Compensation Expense	481	-
Provision for Income Taxes	1,492	1,797
Net Earnings for the Period on a GAAP basis	1,901	2,407

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 year ended December 31, 2005 and 2004

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

(Unaudited)

	2005	2004
	\$	\$
Revenue	42,017	41,680
Cost of goods sold	32,866	32,754
Gross profit	9,151	8,926
Selling, general and administrative expenses	4,920	3,966
Earnings before the following	4,231	4,960
Interest expense - net	485	413
Stock compensation expense	481	-
Other Expense	-	334
Foreign exchange loss (gain)	(128)	9
	838	756
Earnings before income taxes	3,393	4,204
Provision for income taxes	1,492	1,797
Net earnings for the period	1,901	2,407
Earnings per share for the period		
Basic and diluted	0.11	0.20

Opta Minerals Inc.

Consolidated Balance Sheets

As at December 31, 2005 and December 31, 2004

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

(Unaudited)

	2005 \$	2004 \$
Assets		
Current assets		
Cash and cash equivalents	4,077	448
Accounts receivable	6,365	5,845
Inventories	15,238	9,073
Prepaid expenses and other current assets	674	1,177
Due from Affiliates	29	-
	<u>26,383</u>	<u>16,543</u>
Property, plant and equipment – net	13,003	11,464
Goodwill and intangible assets - net	8,057	7,841
Future Income Taxes	636	-
	<u>48,079</u>	<u>35,848</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	3,924	3,850
Due to affiliates	-	15,704
Current portion of long-term debt	1,010	173
Current portion of preference shares	77	109
Income taxes payable	10	-
	<u>5,021</u>	<u>19,836</u>
Long-term debt	7,005	15
Long-term portion of preference shares	-	28
Future income taxes	657	1,192
	<u>12,683</u>	<u>21,071</u>
Shareholder's Equity		
Capital stock		
Authorized: Unlimited number of common shares and preference shares without par value		
Issued		
16,952,574 (December 31, 2004 - 100) common shares	18,250	-
Contributed surplus	1,237	-
Retained earnings	17,707	15,806
Currency Translation Adjustment	(1,798)	(1,029)
	<u>35,396</u>	<u>14,777</u>
	<u>48,079</u>	<u>35,848</u>

Opta Minerals Inc.

Segmented Information

For the year ended December 31, 2005

(Expressed in thousands of Canadian dollars)

(Unaudited)

	December 31, 2005		
	Manufacturing a	St. J	Total
	\$	\$	\$
External revenue by market			
Canada	21,383	1,492	22,875
U.S.	18,697	301	18,998
Other	131	13	144
Total revenue from external customers	<u>40,211</u>	<u>1,806</u>	<u>42,017</u>
Segment net earnings before interest expense and income taxes	3,644	234	3,878
Interest expense			485
Provision for income taxes			1,492
Net earnings			<u>1,901</u>
Total assets as at December 31, 2005	<u>44,917</u>	<u>3,162</u>	<u>48,079</u>
Amortization of property plant and equipment	<u>1,249</u>	<u>170</u>	<u>1,419</u>
Amortization of intangible assets	<u>61</u>	<u>-</u>	<u>61</u>
Goodwill and intangible assets as at December 31, 2005	<u>8,057</u>	<u>-</u>	<u>8,057</u>
Expenditures on property, plant and equipment	<u>2,700</u>	<u>88</u>	<u>2,788</u>
Expenditures on goodwill	<u>102</u>	<u>-</u>	<u>102</u>

Opta Minerals Inc.

Segmented Information

For the year ended December 31, 2004

(Expressed in thousands of Canadian dollars)

(Unaudited)

	December 31, 2004		
	Manufacturing a	St. J	Total
	\$	\$	\$
External revenue by market			
Canada	22,904	1,799	24,703
U.S.	16,501	304	16,805
Other	172	-	172
Total revenue from external customers	<u>39,577</u>	<u>2,103</u>	<u>41,680</u>
Segment net earnings before interest expense and income taxes	4,196	421	4,617
Interest expense			413
Provision for income taxes			1,797
Net earnings			<u>2,407</u>
Total assets as at December 31, 2004	<u>33,076</u>	<u>2,772</u>	<u>35,848</u>
Amortization of property, plant and equipment	<u>1,139</u>	<u>238</u>	<u>1,377</u>
Amortization of intangible assets	<u>36</u>	<u>-</u>	<u>36</u>
Goodwill and intangible assets as at December 31, 2005.	<u>7,841</u>	<u>-</u>	<u>7,841</u>
Expenditures on property, plant and equipment	<u>2,655</u>	<u>74</u>	<u>2,729</u>