No securities regulatory authority in Canada has expressed an opinion about these securities and it is an offence to claim otherwise.

This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act") or any state securities laws. Accordingly, except to the extent permitted by the Underwriting Agreement as defined hereunder, the securities offered hereby may not be offered or sold in the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or unless an exemption from such registration is available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to U.S. persons. See "Plan of Distribution". ***Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada.*** *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Cambior Inc. at 1111 St.Charles Street West, East Tower, Suite 750, Longueuil, Québec, J4K 5G4 (telephone: (450) 677-0040). For the purposes of the Province of Québec, this short form prospectus contains information to be completed by consulting the permanent information record. A copy of the permanent information record may be obtained from the Corporate Secretary of Cambior Inc. at the above-mentioned address and telephone number.*

New Issue — March 12, 2002

CAMBIOR

CAMBIOR INC.

$ 27,750,000
21,346,154 Common Shares and
10,673,077 Common Share Purchase Warrants
(issuable upon the exercise of 21,346,154 Special Warrants)

This short form prospectus is being filed in connection with the distribution of 21,346,154 common shares (the "Underlying Shares") in the capital of Cambior Inc. (the "Company") and 10,673,077 common share purchase warrants (the "Underlying Warrants") to be issued without additional payment upon the exercise or deemed exercise of 21,346,154 previously issued special warrants (the "Special Warrants") on the basis of one Underlying Share and one-half of one Underlying Warrant for each Special Warrant. Each whole Underlying Warrant will entitle the holder to purchase one Common Share at a price of $1.70 until February 27, 2003.

The Special Warrants may be exercised on or before the earlier of June 27, 2002 and the sixth business day after the date on which a receipt for a final short form prospectus (the "Prospectus") qualifying the distribution of the Underlying Shares and the Underlying Warrants is issued (the "Expiry Date") by the securities commissions of Québec, Ontario, Alberta and British Columbia (collectively the "Securities Commissions"). Any Special Warrant not exercised prior to the Expiry Date will be deemed to have been exercised, without any further action by the holder thereof, immediately prior to the Expiry Date. If for any reason the Company has not obtained a receipt for the Prospectus from each of the Securities Commissions prior to 5:00 p.m. (Toronto time) on April 12, 2002, each Special Warrant exercised thereafter will entitle the holder to acquire 1.04 Underlying Shares and 0.52 Underlying Warrants.

The Special Warrants were issued and sold by the Company on February 27, 2002 pursuant to applicable exemptions from prospectus requirements, in accordance with an underwriting agreement (the "Underwriting Agreement") date February 27, 2002 between the Company and Sprott Securities Inc., National Bank Financial Inc. and Scotia Capital Inc. (collectively the "Underwriters").

The currently outstanding Common Shares are listed on The Toronto Stock Exchange and on the American Stock Exchange (AMEX) under the symbol "CBJ". On February 8, 2002, the last trading day prior to the announcement of the agreement for the issue and sale of the Special Warrants, the reported last sale price of one Common Share on The Toronto Stock Exchange was $1.33. On March 11, 2002, the reported last sale price of one Common Share on The Toronto Stock Exchange was $1.50.

An investment in the Common Shares is subject to significant risks; investors should carefully consider the risks described under "Risk Factors" in this short form prospectus.

	Price to Public(1)	Underwriters' Fee(2)	Net Proceeds to the Company(3)
Per Special Warrant	$1.30	$0.078	$1.222
Total(2)	$ 27,750,000	$ 1,665,000	$ 26,085,000

Notes:

(1) The price per Special Warrant was determined by negotiation between the Company and the Underwriters.

(2) In connection with the offering of the Special Warrants, the Company granted to the Underwriters compensation warrants, exercisable, without payment of additional consideration into compensation options (the "Compensation Options"), exercisable to purchase up to an aggregate of 1,067,308 units (the "Underwriters' Units") at a price of $1.30 per Underwriters' Unit. Each Underwriters' Unit will consist of one Common Share and one-half of one common share purchase warrant. Each whole common share purchase warrant will entitle the holder thereof to purchase one Common Share at a price of $1.70 until February 27, 2003. The Compensation Options may be exercised in whole or in part by the Underwriters at any time prior to February 27, 2003. The Compensation options are qualified for distribution by this prospectus. See "Plan of Distribution".

(3) Before deducting expenses payable by the Company estimated at $ 375,000 which, together with the Underwriters' fee, will be paid from the general funds of the Company.

Certain legal matters relating to the securities offered hereby will be passed upon by Lavery, de Billy, general partnership, on behalf of the Company and by Cassels Brock & Blackwell LLP on behalf of the Underwriters. Certificates representing the Underlying Shares and the Underlying Warrants will be available for delivery upon exercise or deemed exercise of the Special Warrants.

Each of National Bank Financial Inc. and Scotia Capital Inc. is a subsidiary of a Canadian chartered bank (collectively, the "Banks"). The Banks are lenders to Cambior. Consequently, Cambior may be considered to be a connected issuer of these Underwriters under applicable Canadian securities legislation. See "Plan of Distribution".

TABLE OF CONTENT

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, filed by the Company with the securities commissions or similar authorities in each of the provinces of Canada, are specifically incorporated by reference into and form an integral part of this Prospectus:

(a) the “Management’s Discussion and Analysis” and the audited comparative consolidated financial statements of the Company for the year ended December 31, 2001 together with the notes attached thereto and the auditors’ report thereon;

(b) the Annual Information Form (Form 20-F) of the Company dated May 15, 2001 for the year ended December 31, 2000 (the “AIF”);

(c) the Management Information Circular dated April 17, 2001 relating to the May 16, 2001 Annual Meeting of Shareholders of the Company;

(d) material change reports of the Company:

   (i) dated January 15, 2001 in relation to the completion of the financial restructuring of the Company;

   (ii) dated January 19, 2001 in relation to the closing of a private placement by the Company;

   (iii) dated August 9, 2001 in relation with the completion of a private placement, the proceeds of which were to be used for the repayment of a mortgage loan;

   (iv) dated November 5, 2001 in relation to an acquisition and a private placement, the proceeds of which were to be used as a first instalment on the said acquisition; and

   (v) dated February 12, 2002 in relation to the entering into an agreement with the Underwriters dated February 11, 2002 in connection with this offering.

Any document of the type referred to above and any unaudited interim financial statements, interim “Management’s Discussion and Analysis” or material change reports (excluding confidential material change reports) filed by the Company with the securities commissions or similar authorities in the provinces of Canada after the date of this Prospectus and prior to the termination of this offering shall be deemed to be incorporated by reference into this short form Prospectus. The documents incorporated by reference herein contain meaningful and material information relating to the Company and prospective subscribers of Underlying Shares and Underlying

Warrants should review all information contained in this Prospectus and in the documents incorporated by reference before making an investment decision.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document that also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Lavery, de Billy, general partnership and Cassels Brock & Blackwell LLP, the Common Shares, if issued on the date hereof, would be qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans and would not be foreign property under the *Income Tax Act* (Canada) for trusts governed by registered pension plans, registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and/or certain other persons to whom Part XI of the *Income Tax Act* (Canada) is applicable.

GENERAL INFORMATION

Information contained or featured in the Company's website shall not be deemed to be part of this prospectus.

All currency amounts in this prospectus are stated in Canadian dollars unless otherwise indicated.

Unless otherwise specifically indicated, all information in this prospectus assumes no exercise of any currently outstanding stock options or common share purchase warrants of the Company or of the Underwriters' Compensation Options.

THE COMPANY

Cambior Inc. (the "Company") was incorporated on November 7, 1973 under the name "Niobec Inc." and is existing pursuant to Part IA of the *Companies Act* (Québec). Its registered office is located at 1075, 3rd Avenue East, Val-d'Or, Québec, J9P 6M1, and its executive office at 1111 St.Charles Street West, East Tower, Suite 750, Longueuil, Québec, J4K 5G4 (phone: 450-677-0040 and facsimile: 450-677-3382). The Company currently holds interests in five (5) mines operated on a commercial production basis and in a variety of exploration and development properties. As used herein, the term "Company" means Cambior Inc. and its subsidiaries as the context requires.

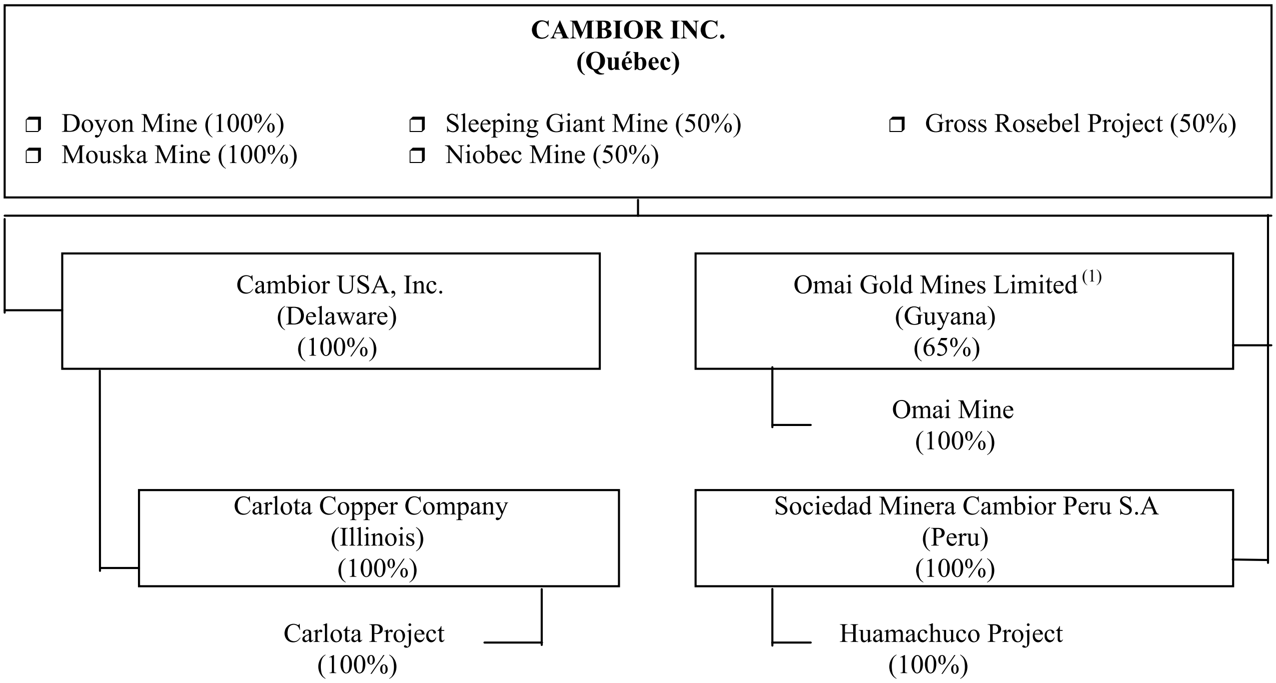
In Canada, the Company holds its properties, property interests and other assets directly. It is the sole owner of the Doyon Division, comprised of the Doyon and Mouska gold mines located in the Abitibi area of the Province of Québec; and it holds a 50% interest in the Sleeping Giant gold mine located in Abitibi, and in the Niobec mine which produces ferroniobium (FeNb) and is located in the Saguenay area of Québec. The Company also holds directly a 50% interest in the Gross Rosebel gold property located in Suriname. In October 2001, the Company entered into an agreement to acquire the remaining 50% interest in the Gross Rosebel property, which, subject to certain conditions, will result in the Company holding a 100% interest in the Gross Rosebel property. See "Recent Developments — Transactions in the Guiana Shield and Private Placement."

In the United States, the Company owns a copper development project through an indirect wholly-owned subsidiary, Carlota Copper Company, with offices at 1306 Live Oak Street, P.O. Box 1009, Miami, Arizona, 85539, USA.

In Guyana, Omai Gold Mines Limited ("OGML"), a 65%-owned Guyanese subsidiary of the Company, holds the mining rights and the assets comprising the Omai mine and manages operations thereat. OGML has an administrative office at 176-D, Middle Street, Cummingsburg, P.O. Box 12249, Georgetown, Guyana.

The Company currently holds interests in exploration properties located in Peru, through Sociedad Minera Cambior Peru S.A. a Peruvian wholly-owned subsidiary with offices at Ave. José Casimiro Ulloa No. 312, Urb. San Antonio, Mira Flores LIMA 18, Peru.

The following organizational chart shows the Company and its principal subsidiaries.



(1) Notwithstanding minority interests in OGML, the Company's accounts for its investment on a fully consolidated basis and reports 100% of production due to OGML's capital structure and the rules governing cash flow distribution.

BUSINESS OF THE COMPANY

Overview

The Company, together with its subsidiaries, is involved primarily in mining and exploring for gold and, to a lesser extent, other metals and minerals from deposits and properties located in the Americas. In that respect, the Company pursues more particularly the following activities:

- exploration for and delineation of mineral deposits;
- development and pre-production of deposits;
- construction of facilities required for mining;
- underground and open pit mining of ore;
- ore milling and concentrating to produce a commercial product; and
- marketing of minerals, metals and concentrates.

Corporate History

On August 13, 1986, Soquem Inc. ("Soquem") sold its 50% interest in the Doyon and Niobec mines, its various interests in 46 mining exploration properties and its shareholdings in four publicly-traded companies to the Company. Simultaneously, the Company completed an initial public offering to fund these acquisitions and initiate its activities.

From 1987 to 1997, the Company gradually became an international operating company with the acquisition of mining operations, development projects and exploration properties in the province of

Québec, Canada, in the United States of America, in Mexico, and in South America, namely in Argentina, Chile, Ecuador, French Guiana, Guyana, Peru and Suriname.

On January 27, 1998, the Company purchased Barrick Gold Corporation's ("Barrick") 50% interest in the Doyon Mine for US$95 million in cash and other consideration including the grant of a participation right in future revenue from the Doyon Mine given a market price of gold above US$375 per ounce. The Company completed a public offering for net proceeds totalling approximately US$50 million to finance the initial instalment of the cash consideration.

In 1999, the United Kingdom treasury's decision to sell 415 tonnes or 58% of its gold reserves rapidly translated into a wave of transactions that carried the market price of gold to a 20-year low on July 20, 1999 (US$252.80 per ounce). Thereafter, the agreement signed on September 26, 1999 among European central banks to limit their collective sales to 400 tonnes of gold per year over the next five years and to limit gold lending provoked a strong but short-lived reaction from speculators and gold producers, with gold rapidly soaring to a peak of US$325 per ounce on October 5, 1999 before gradually returning to an average of US$279 per ounce in 2000. These extreme fluctuations in the market price of gold during 1999 defeated the Company's intended hedging strategy and required the Company to refinance its US$225 million financial obligations by the end of December 1999 on less favorable terms relative to previous years.

Throughout the year 2000, the Company undertook a major financial restructuring. It sold (i) the Bouchard-Hébert and Langlois polymetallic mines located in Northwestern Québec, (ii) the Mexican subsidiary which included the Cerro San Pedro and Metates gold projects, and (iii) the La Granja copper project in Peru. It also completed a private placement and a mortgage loan on its 50% interest in the Niobec mine, with Jipangu Inc. ("Jipangu").

On January 12, 2001, the Company completed its financial restructuring with the simultaneous closing of a revised US$65 million credit facility agreement and a U.S.$55 million prepaid gold forward sale agreement. The aggregate gross proceeds of US$120 million were used to refinance the Company's remaining bank debt at that time. On January 18, 2001, Jipangu converted the major portion of its mortgage loan in respect of the Niobec mine into equity; the balance thereof was so converted later in 2001.

RECENT DEVELOPMENTS

Year 2001 Production Results

For the year ended December 31, 2001, gold production of the Company totalled 614,900 ounces at a direct mining cost of US$212/oz and niobium production from its 50% interest in the Niobec mine totalled 1,503 tonnes. In particular:

- the Omai mine in Guyana established a new production record with 354,300 ounces of gold, a 7% increase over 2000; the direct mining cost was US$214/oz for the year. Lower gold production is anticipated for 2002 due to a lower grade milled caused by the processing of the remaining low-grade soft rock stockpile (0.7 g Au/t) and the depletion of the higher grade in the Wenot Pit by the end of the first quarter. Capital expenditures for 2002 are estimated at US$3.9 million, a significant decrease from previous years reflecting the lower stripping ratio;

- the Doyon division produced 228,700 ounces of gold at a direct mining cost of US$209/oz. Capital expenditures for 2002 are estimated at US$6.7 million mainly for exploration and deferred development; and

- the Company's share (50%) of production from the Sleeping Giant mine in Northwestern Québec totalled 31,900 ounces of gold at a direct mining cost of US$221/oz, compared to 39,000 ounces at a direct mining cost of US$179/oz in 2000. A 42,000-metre drilling program is scheduled for 2002 to extend mineral reserves and resources. The Company's share of capital expenditures for 2002 is estimated at US$1 million, the same level as last year.

For the year 2001, the gold price averaged US$271 per ounce, the lowest average price since 1978. The closing price for gold as at December 31, 2001 was US$277 per ounce and the average gold price in 2000 was US$279/oz. In order to secure the cash operating margins at its mines and reduce its exposure to an unfavourable lower gold price, the Company maintains a Revenue Protection Program for its gold operations.

As of December 31, 2001, the Company's Revenue Protection Program consisted of minimum delivery obligations of 1.3 million ounces at an average price of US$298 per ounce. These hedge positions include forward contracts, prepaid gold forward sales and the minimum quantity of variable volume forward contracts. Total commitments over six years total 1.9 million ounces at an average price of US$306 per ounce. During 2001, optionalities, which include call options sold and the variable portion of the variable volume forwards contracts, declined to a total of 635,000 ounces at an average price of US$322 per ounce as compared to 963,000 ounces at US$338 per ounce at the beginning of the year.

The mark-to-market value of all instruments used in the establishment of its Revenue Protection Program, is calculated independently, based on the market conditions at the end of the period, of which the gold price is a major component. The mark-to-market value of the Company's total gold sales commitments as at December 31, 2001 was US$4.3 million using a spot price of US$277 per ounce and the market conditions prevailing at that date. Changes in the valuation of non-hedge derivative instruments during 2001 resulted in an unrealized loss of US$0.7 million.

As of December 31, 2001, the Company had financial obligations[1] of US$100 million, a reduction from the US$130 million at the beginning of the year. The reduction is mainly due to the sale of the interest in the El Pachón copper project, the net cash flows from operations and the completion of private placements with Jipangu, as more particularly described hereinafter.

Transactions in the Guiana Shield and Private Placement

On October 31, 2001, the Company announced an agreement with Golden Star Resources Ltd. ("Golden Star") to acquire Golden Star's 50% interest in the Gross Rosebel property located in Suriname, and to complete additional transactions in the Guiana Shield. The Company announced simultaneously that Jipangu agreed to a $5.8 million private placement, and to exercise on such date 2.1 million previously issued common share purchase warrants for $3.4 million.

More particularly, the Company has agreed to purchase Golden Star's 50% interest in the Gross Rosebel gold property located in Suriname to own a 100% interest therein, for a cash consideration of US$8 million, and to grant a gold price participation right on future production from Gross Rosebel (up to a maximum of 7 million ounces). The cash purchase consideration will be comprised of US$5 million to

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[1] Defined as long-term debt and gold delivery obligations under the prepaid gold forward sale agreement (deferred revenue).

be paid at closing, the remainder to be paid over a three-year period. Under the gold price participation, Golden Star would receive a quarterly payment of an amount equal to 10% of the excess, if any, of the average quarterly market price above US$300/oz for gold production from the soft and transitional rock portions and above US$350/oz from the hard rock portion up to a maximum of 7,000,000 ounces produced.

In connection with the Gross Rosebel transaction :

- the Company has agreed to transfer to Golden Star its rights in the Yaou and Dorlin exploration properties as well as the Bois Canon exploration permit located in French Guiana;

- Golden Star has agreed to transfer to the Company its rights in the Headley's Reef and Thunder Mountain exploration properties located in Suriname; and

- the Company will receive all of Golden Star's OGML shares in consideration of the assumption by the Company of a loan made to Golden Star by OGML and all other liabilities associated with OGML.

The subscription agreement concluded with Jipangu provided for the issue of 4,950,000 units at a price of $1.17 per unit, each unit consisting of one common share (collectively the "Common Shares") and one common share purchase warrant of the share capital of the Company, each entitling its holder to purchase one additional Common Share at an exercise price of US$0.83 ($1.31) until November 30, 2002. In addition, Jipangu exercised, on October 31, 2001, 2,100,000 previously issued common share purchase warrants at a price of $1.60 per such warrant. The principal terms of the subscription agreement are as follows:

(a) Jipangu shall use its best efforts to provide, directly or indirectly, non-recourse financing of US$50 million to the Company, to be used for the construction and development of the Gross Rosebel property;

(b) Jipangu shall not acquire, directly or indirectly more than 45% of the total issued and outstanding Common Shares of the Company;

(c) Jipangu shall, in the event of a third party cash take-over bid for all Common Shares, either (i) tender its Common Shares to such bid provided that the Company's board of directors is recommending to tender, or (ii) make a superior offer to all shareholders;

(d) if Jipangu wishes to dispose of more than 10% of the total outstanding Common Shares, it shall, if requested by the Company and for a six-month period, proceed through an underwritten secondary offering or otherwise in an orderly manner; and

(e) Jipangu shall be entitled to propose such number of nominees for election at the Company's board of directors that will be proportionate to its shareholdings but up to a maximum of four nominees (two of which being unrelated to Jipangu).

The private placement closed on December 12, 2001 and Jipangu then held and still holds approximately 37.8% of the issued and outstanding Common Shares.

The Company filed a Mineral Reserves Report on the Gross Rosebel property in December 2001 pursuant to the new National Policy Statement 43-101 for mining projects. Gross Rosebel's probable mineral reserves, calculated at US$300 per ounce of gold, stand at 25.2 million tonnes at an average grade of 1.7 g Au/t, representing 1.3 million ounces of gold contained.

On January 10, 2002, the Company and the Government of Suriname agreed to new business conditions and modifications to the terms of the 1994 Mineral Agreement governing the development and operation of the Gross Rosebel project. In essence, the Company obtained:

- the Government's unconditional commitment to grant a Right of Exploitation after the approval of a feasibility study;
- the Government's undertaking to facilitate the timely incorporation of a Surinamese operating company ("Opco") to hold the Right of Exploitation and operate the Gross Rosebel project;
- the relinquishing by a state-owned Surinamese company, of its options to purchase up to a 40% interest in the Gross Rosebel project; in return, the Government will hold a 5% carried interest in the share capital of Opco;
- the availability of power at a base cost of US3¢ per kWh when the quarterly market price of gold is under US$310 per ounce (increasing gradually to a maximum of US7¢ per kWh if the price of gold is in excess of US$375 per ounce).

Following such agreement with the Government of Suriname, the Company paid Golden Star, in January 2002, a US$3 million deposit on the US$5 million initial instalment to acquire Golden Star's 50% interest in the Gross Rosebel project. The balance of the first instalment will be paid upon closing of the transaction which remains subject to, among other things, the incorporation of Opco.

Sale of the El Pachón Copper Project

On June 27, 2001, the Company and its partner, Minera S.A., concluded an agreement with Noranda Inc. for the sale of the El Pachón copper project located in Argentina and owned as to 50% by the Company and 50% by Minera S.A. The Company received US$13 million at closing on September 28, 2001 and will receive US$2 million at the time Noranda Inc. makes a production decision but not later than four years from closing.

From the US$13 million proceeds, US$10.4 million was applied to the term loan, US$1.3 million to the revolving loan and the balance to the payment of fees related to the credit facility. The El Pachón sale concluded the financial restructuring program which was undertaken by the Company in late 1999.

Conversion of debt into equity

On July 30, 2001, Jipangu agreed to a US$3.7 million private placement whereby it subscribed for 6,491,228 Common Shares at a price of US$0.57 ($0.87) each. Proceeds from this private placement, which closed concurrently with the sale of the El Pachón project, were used for the final repayment of the US$3.7 million subordinated mortgage loan in respect of the Company's 50% interest in the Niobec mine.

Mineral Reserves and Exploration

On January 31, 2002, the Company announced an increase of nearly 60% in the mineral reserves of the Niobec mine, relative to the reserves established at the beginning of 2001. Proven and probable mineral reserves for the mine currently total 18.2 million tonnes at an average grade of 0.68% Nb_20_5, compared to 11.5 million tonnes at an average grade of 0.73% Nb_20_5 at the end of 2000.

On September 28, 2001, the Company and its partner Aurizon Mines Ltd., co-owners of the Sleeping Giant mine, announced a significant increase in mineral reserves. The drilling program at the mine allowed the definition of 218,000 tonnes of proven and probable mineral reserves with an average grade of 12.1 g Au/t, representing an addition of 85,000 ounces of gold contained.

In July 2001, the Québec Ministry of Natural Resources granted financial assistance of approximately $2 million to the Company for advanced mining exploration. The objective of this Québec government program is to help the renewal of mining reserves at Québec mines and, as regards the Company in particular, to identify the largest and best sources of ore reserves in order to maintain the annual production rates of the Company's gold mines in Québec.

Also in July 2001, the Company concluded private placements of 800,000 flow-through Common Shares at $1.00 per share, for proceeds of $800,000, of which 500,000 shares were subscribed by CMP 2001 Resource Limited Partnership and 300,000 shares by employees of the Company. The proceeds were used to incur Canadian Exploration Expenses ("CEE") in Québec; the Company renounced the full amount of the CEE in favour of the subscribers, for income tax purposes.

Dismissal of OGML-related class-action suit in Guyana

The US$100 million representative action proceedings brought in 1998 before the Guyana courts in connection with the Omai mine tailings dam failure seven years ago, has been dismissed on February 12, 2002. In addition, more than 95% of the 522 writs, representing 881 claimants, filed for losses or damages, have been settled. Remaining claims have not yet been paid because the claimants have either not turned up or cannot be located.

USE OF PROCEEDS

The estimated net proceeds to the Company from the sale of Special Warrants, after deducting estimated offering expenses and underwriting commissions, are estimated to be $25,710,000.

The Company currently expects to use such net proceeds for general corporate purposes including the funding of potential acquisitions of, or investments in, assets, businesses and properties, that expand, complement or are otherwise related to its current activities and business. In addition, while the Company is not required under the 2001 credit facility to use the aforesaid net proceeds to repay its indebtedness thereunder, the Company may voluntarily elect to make any partial repayment. Save for remaining steps to close the transaction with Golden Star in respect of Gross Rosebel and other assets, the Company has no present agreements or commitments with respect to any material acquisition or investment. The Company's plans with respect to the allocation of the net proceeds among the uses described above may change after the date of the final short form prospectus.

PLAN OF DISTRIBUTION

On February 27, 2002 the Company completed a private placement of 21,346,154 Special Warrants, pursuant to exemptions from the prospectus requirements of applicable securities law, at a price of $1.30 per Special Warrant. The Special Warrants were issued and sold pursuant to an underwriting agreement entered into on February 27, 2002 (the "**Underwriting Agreement**") between the Company and Sprott Securities Inc., National Bank Financial Inc. and Scotia Capital Inc. (collectively the "Underwriters"). A commission of 6% ($1,665,000 in the aggregate) was paid to the Underwriters in respect of each Special Warrant.

The Special Warrants were issued under and are governed by an indenture (the "Special Warrant Indenture") dated as of February 27, 2002 between the Company and CIBC Mellon Trust Company, as trustee. Each Special Warrant entitles the holder to receive upon exercise, without additional charge, one Underlying Share and one-half of one Underlying Warrant at any time on or before the Expiry Date. The Expiry Date is the earlier of April 12, 2002 and the sixth business day after the date on which a receipt is issued by the Securities Commissions for a final short form prospectus (the "**Prospectus**") qualifying the distribution of the Underlying Shares and the Underlying Warrants. Each whole Underlying Warrant will entitle the holder to purchase one Common Share at a price of $1.70 until February 27, 2003. Any Special Warrant not previously exercised will be automatically deemed to have been exercised by its holder immediately prior to the Expiry Date without any further action on the part of said holder. If for any reason the Company has not obtained a receipt from each of the Securities Commissions for the Prospectus on or 5:00 p.m. (Toronto time) on April 12, 2002, each Special Warrant which will have not been exercised will thereafter entitle its holder to acquire 1.04 Underlying Shares and 0.52 Underlying Warrant upon its exercise or deemed exercise.

The price per Special Warrant was determined by negotiation between the Company and the Underwriters.

Pursuant to the Underwriting Agreement, the Company has granted to the Underwriters compensation warrants, exercisable, without payment of additional consideration into compensation options (the "Compensation Options"), exercisable to purchase up to an aggregate of 1,067,308 units (the "Underwriters' Units") at a price of $1.30 per Underwriters' Unit. Each Underwriters' Unit will consist of one Common Share and one-half of one common share purchase warrant. Each whole common share purchase warrant will entitle the holder thereof to purchase one Common Share at a price of $1.70 until February 27, 2003. The Compensation Options may be exercised in whole or in part by the Underwriters at any time prior to February 27, 2003. The Compensation Options are qualified for distribution by this Prospectus.

Pursuant to the Underwriting Agreement, the Company has agreed with the Underwriters not to issue any additional securities for a period of eighty (80) days following the obtaining of a receipt from each of the Securities Commission for the Prospectus without the prior written consent of the Underwriters, such consent not to be unreasonably withheld, except for issues of securities in connection with: (i) this Offering, (ii) the grant or exercise of stock options and other similar issuances pursuant to the existing stock option plan of the Company, and (iii) the exercise of outstanding convertible securities.

The Common Shares have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "1933 Act") or any state securities laws and, subject to certain exceptions, may not be offered or sold in the United States. The Underwriters have agreed that they will not offer or sell these securities within the United States, except for sales exempt from registration under the 1933 Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Common Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made other than in accordance with exemption under the 1933 Act and state securities laws.

Each of National Bank Financial and Scotia Capital Inc. (collectively, the “Connected Underwriters”), is a wholly-owned subsidiary of a Canadian chartered bank (collectively, the “Banks”), which is a lender to the Company. As of December 31, 2001, the Company was indebted to various lenders, including the Banks, in a aggregate amount of approximately US$50,269,000 which debt is secured by substantially all of the assets of the Company. Consequently, the Company may be considered a connected issuer of the Connected Underwriters for the purposes of the securities regulations of certain Canadian provinces. As of the date of the Prospectus, the Company is in compliance with the terms of its indebtedness. Since the date the indebtedness to the Banks was incurred, the financial position of the Company and the value of the collateral granted as security for the indebtedness have not materially adversely changed. The decision of the Connected Underwriters to underwrite the offering was made independently of the Banks and the Banks had no influence as to the determination of the terms of the distribution. The Connected Underwriters will not receive any benefit in connection with this offering other than a portion of the Underwriters’ commission payable by the Company. While it is not of the intention of the Company to use any of the net cash provided to reimburse any indebtedness to the Banks, the Company might use part of the net proceeds to pay down the revolving credit facility which included, as of December 31, 2001, an amount of US$4,050,000 owing to the Banks.

The Company has applied to list the securities distributed under the final short form prospectus on The Toronto Stock Exchange and the American Stock Exchange. The listing of these securities is subject to the Company fulfilling all of the requirements of The Toronto Stock Exchange and the American Stock Exchange on or before June 26, 2002.

DESCRIPTION OF SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value of which, as at February 27, 2002, 104,904,099 Common Shares are issued and outstanding. The holders of Common Shares are entitled to vote at all meetings of shareholders on the basis of one vote per Common Share, to receive dividends if, as and when declared by the directors, and to participate in the distribution of the remaining assets of the Company in the event of its liquidation or dissolution. The authorized share capital of the Company also includes non-voting Class I and Class II preferred shares, none of which is currently issued and outstanding.

For greater certainty, there is no agreement or arrangement, of any nature whatsoever, conferring upon any shareholder, including Jipangu, different voting rights. Further, there is currently no arrangement known to the Company, the operation of which may at a subsequent date, result in a change of control of the Company.

CANADIAN FEDERAL INCOME TAX CONSEQUENCES

In the opinion of Lavery, de Billy, general partnership, counsel to the Company and Cassels Brock & Blackwell LLP, counsel to the Underwriters, the following is a fair and accurate summary of the principal Canadian federal income tax consequences generally applicable to subscribers of Special Warrants who, for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") are individuals or corporations resident in Canada, hold the Special Warrants and will hold the Underlying Shares, the Common Shares issued pursuant to the exercise of Underlying Warrants (the "**Warrant Shares**") and the Underlying Warrants issued pursuant thereto as capital property and at all times deal at arm's length with the Company.

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the "**Regulations"**), counsel's understanding of the current administrative practices of the Canada Customs and Revenue Agency (the "**CCRA**"), and all proposed amendments (the "**Tax Proposals**") to the Tax Act and Regulations publicly announced by the Minister of Finance prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed and does not take into account or anticipate any other changes in law whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations. No assurances can be given that such Tax Proposals will be enacted as proposed or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not applicable to corporations which are "**financial institutions**" for purposes of the mark-to-market provisions of the Tax Act.

Exercise of Special Warrants

No gain or loss will be realized by a holder upon the exercise of a Special Warrant.

Allocation of Purchase Price

A holder will be required to allocate the cost of the Special Warrants on a reasonable basis between the Underlying Shares and the Underlying Warrants in order to determine their respective costs to the holder for purposes of the Tax Act. The Company intends to allocate $1.29 of the subscription price of each Special Warrant to each Underlying Share issued and $0.01 of the subscription price of each Special Warrant to each Underlying Warrant. Although the Company believes this allocation to be reasonable, it will not be binding on the CCRA.

Exercise or Expiry of Underlying Warrants

No gain or loss will be realized by a holder on the exercise of an Underlying Warrant. The cost of each Warrant Share acquired on the exercise of an Underlying Warrant will be the aggregate of the holder's adjusted cost base of the Underlying Warrant immediately prior to the exercise thereof and the exercise price paid for the Warrant Share.

Upon the expiry of an unexercised Underlying Warrant, the holder generally will realize a capital loss in an amount equal to the adjusted cost base of the Underlying Warrant to the holder immediately prior to the time of expiry.

Adjusted Cost Base of Underlying Shares and Warrant Shares

Based on the allocation referred to above, the cost of an Underlying Share obtained upon the exercise of a Special Warrant will be equal to the portion of the adjusted cost base of the Special Warrant allocated to the Underlying Share. The cost of a Warrant Share acquired upon the exercise of an Underlying Warrant will be equal to the total of the portion of the adjusted cost base of the Special Warrant allocated to the Underlying Warrant and the exercise price thereof. The adjusted cost base of a Warrant Share and of an Underlying Share will be averaged with the cost of all other Common Shares held at any given time as capital property by the holder.

Disposition of Underlying Shares, Warrant Shares or Underlying Warrants

A disposition or deemed disposition of an Underlying Share, a Warrant Share or Underlying Warrant (other than upon the exercise or expiry thereof) will generally result in the holder realizing a capital gain (or capital loss) equal to the amount by which the holder's proceeds of disposition, less reasonable costs of disposition, are greater than (or less than) the holder's adjusted cost base of such Underlying Share, Warrant Share or Underlying Warrant respectively.

Generally, one-half of any capital gain realized by a holder will be required to be included as a taxable capital gain in computing income. Generally, one-half of any capital loss realized by a holder will be deductible against taxable capital gains realized in the year of disposition, and to the extent not so deducted, may be applied to reduce taxable capital gains in any subsequent taxation year or in any of the three preceding taxation years.

In the case of a holder that is a corporation, a capital loss realized on the disposition of Underlying Shares or Warrant Shares will generally be reduced by the amount of dividends received or deemed to have been received by the holder on such shares to the extent and in the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns any Underlying Shares or Warrant Shares or where a trust or partnership of which a corporation is a beneficiary or member, is a member of a partnership or a beneficiary of a trust that owns any such Underlying Shares or Warrant Shares.

A holder that is a "**Canadian controlled private corporation**" (as defined in the Tax Act) may be liable to pay a refundable tax of 6 2/3% on taxable capital gains in addition to the income taxes payable under the Tax Act by other taxpayers on this type of income.

Minimum Tax

Part of the non-taxable portion of capital gains realized by a holder on a disposition or deemed disposition of Underlying Shares, Warrant Shares or Underlying Warrants will be included in the "adjusted taxable income" (as determined in the Tax Act) for the purpose of calculating the minimum tax payable by individuals and certain trusts under the Tax Act.

RISK FACTORS

By the very nature of its activities, the Company is subject to various financial, operational and political risks in the normal course of business. The Company assesses and seeks to manage these risks by applying high operating standards, including careful management and planning of its activities and facilities, the hiring of qualified personnel and the development of their skills through training and development programs, the establishment and upkeeping of internationally-recognized standards, independent audits and the purchase of insurance policies. ***Readers should carefully consider the risk factors set forth below***.

Mining Industry and Mining Projects

Exploration and development projects have no operating history upon which to base estimates of future operating costs and capital requirements. Mining projects frequently require a number of years and significant expenditures during the mine development phase before production is possible. Development projects are subject to the completion of successful feasibility studies, issuance of necessary governmental permits and receipt of adequate financing. The economic feasibility of such development projects is based on many factors such as estimation of reserves, metallurgical recoveries, future gold prices, and capital and operating costs of such projects.

Exploration and development of mineral deposits thus involve significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an orebody may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. In fact, a mine must generate sufficient revenues to offset operating and development costs such as: the costs required to establish reserves by drilling, to develop metallurgical processes, to construct facilities and to extract and process metals from the ore. Once in production, it is impossible to determine whether current exploration and development programs at any given mine will result in the replacement of current reserves with new reserves.

Because it holds interests in several mines, the Company is subject to risks and hazards inherent to the mining industry, including:

(i) fluctuations in gold prices;

(ii) costs of constructing and operating a mine, as well as processing and refining facilities, in a specific environment;

(iii) availability of economic sources of energy and adequacy of water supply;

(iv) adequate access to the site, unanticipated transportation costs, delays and repair costs resulting from equipment failure;

(v) changes in the regulatory environment (including regulations relating to prices, royalties, duties, taxes, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands); and

(vi) industrial accidents and labor actions or unrest.

The occurrence of any of these factors could materially and adversely affect the development of a project and as a result materially and adversely affect the Company’s business, financial condition, results of operations and cash flow. The Company is also subject, through its activities, to risks normally encountered in mining operations. Blasting, drilling and mining of ore comprise risks and hazards such as:

(i) environmental hazards, including discharge of pollutants or hazardous chemicals;

(ii) unanticipated grade and tonnage of ore to be mined and processed;

(iii) unusual or unexpected adverse geological or geotechnical formation, or unusual or unexpected adverse operating conditions;

(iv) slope failure, rock bursts, cave-ins, failure of pit walls or dams, fire; and

(v) natural phenomena and "acts of God" such as inclement weather conditions, floods, earthquakes and other hazards.

These occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company may incur liability as a result of pollution and other casualties, and may not be able to insure fully or at all against such risks, due to political or other reasons, or may decide not to insure against such risks as a result of high premiums or for other reasons. This can result in delayed production, increase in production costs or liability. Paying compensation for obligations resulting from such liability may be very costly and could have an adverse effect on the Company's financial position. Furthermore, insurance against certain risks (including certain liabilities for environmental pollution or other hazards as result of exploration and production) is not generally available or uneconomical to purchase.

Competition

The Company is in competition with other mining companies for the acquisition of interests in precious and other metal or mineral mining properties. In the pursuit of such acquisition opportunities, the Company competes with several Canadian and foreign companies that may have substantially greater financial and other resources. Although the Company has acquired many such assets in the past, there can be no assurance that its acquisition efforts will succeed in the future.

Sale of Production and Reserves

Since the second quarter of 2000, the Company has derived almost all of its revenues and earnings from the sale of gold and niobium. The gold price is subject to fluctuations resulting from factors beyond the Company's control. These factors include general price inflation, changes in investment trends and international monetary systems, political events and changes in gold supply and demand on the public and private markets. In 1999, the gold market felt the effects of gold reserve sales by some central banks as well as the effects of the announcement at the end of September by European central banks of a self-imposed annual limit on gold sales. **More detailed information regarding the gold market in 1999 and the Company's hedging program in respect thereof, is provided under the heading "Material Developments during Years 1999 and 2000" — section 3 of Item 4(A) of the AIF.**

All annual production from the Niobec mine is sold under the terms of commercial contracts with third-party purchasers. There can be no assurance that these contracts will be renewed upon their expiry or that the Company will be able to enter into agreements with other purchasers in the event that the existing contracts are not renewed. Companhia Brasilera de Metalurgia e Mineraçâo ("CBMM") is the world's largest producer of niobium. In 2000, CBMM accounted for more than 75% of the world's niobium sales and is believed to enjoy lower production costs than Niobec.

The Company based its reserve estimates on a US$300 per-ounce gold price. A sensitivity analysis using a gold price of US$275 per ounce indicates that the Company's overall proven and probable reserves would be 6% less. **More detailed information regarding proven and probable reserves is provided above under the heading "Proven and Probable Reserves" — Section 2 of Item 4(B) of the AIF.** Should prices remain low or fall further, some reserves may become uneconomic. In the event of a sustained, significant drop in the gold price, the Company may be required to re-evaluate its assets.

There are numerous uncertainties inherent in estimating proven and probable reserves including many factors beyond the Company's control. The estimation of reserves is a subjective process and the accuracy of any such estimate is a function of the quantity and quality of available data and of the assumptions made and judgements used in engineering and geological interpretation. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates.

Over the past few years, there has been a continued decline in world gold prices. Accordingly, in 2001, the Company has reduced the estimates of its reserves on various properties. These reductions reflect its decision to re-estimate its reserves using lower gold prices.

Currencies

Most of the Company's activities are in Canada and Guyana. Fluctuations in the Canadian currency have an important impact on cash flows from the Company's operations as the proceeds of metal sales are in US dollars while over 50% of operating costs are in Canadian dollars. Thus, any significant increase in the value of the Canadian dollar relative to the US dollar coupled with stable or declining metal prices entails an adverse effect on the Company's earnings. Changes in the local Guyanese currency have little impact on cash flow from the Company's operations as most disbursements for the Omai mine are quoted in US dollars.

Foreign Activities

A significant portion of the Company's production and reserves comes from the Omai mine in Guyana. Accordingly, risks associated with conducting business in Guyana are material for the Company. More particularly, the Company's investments in its 65%-owned subsidiary OMAI Gold Mines Limited ("OGML") and in projects in other countries are subject to the usual risks involved with any investment in developing countries which include, but are not limited to, risks relating to stability of legislation and policy, repatriation of capital and profits, expropriation, reliability of title to mining and other properties, unilateral revocation of mining rights with or without cause, political instability, economic hardship, local currency devaluation and others. The Company cannot fully eliminate these risks.

The Company has, in the context of the Omai mine, obtained foreign investment insurance from Export Development Canada for a current maximum nominal value of US$60 million, as mentioned below in **subsection 4.3.1 of Item 4(B) of the AIF**. This type of insurance covers the following risks:

(i) **Non-transfer of funds**: restriction or blockage of funds by the Government of Guyana or a government agency, making it impossible for the Company to repatriate its investment from Guyana.

(ii) **Expropriation**: actions by the Government of Guyana that would have the effect of an expropriation by interfering with the exercise of fundamental rights accruing from the Company's investment in Guyana, including OGML's right to export gold from Guyana, or by rendering impossible either the use or disposition of the assets, or the conduct of regular business activities by OGML in Guyana.

(iii) **War, revolution and insurrection**: damage, destruction or loss of tangible property of OGML resulting from war, riot, insurrection, revolution, rebellion, sabotage or other similar politically motivated hostile acts in Guyana. Coverage is also provided for loss of use of Omai mine facilities for a period of 12 consecutive months as a direct result of the above-mentioned circumstances.

As at December 31, 2000, the aforementioned type of insurance had not been subscribed with respect to the Company's activities in Peru and Suriname, as activities in these countries are currently limited to the conduct of exploration and development work. Although many of the same types of foreign investment and foreign business risks prevail in these countries, there can be no assurance that foreign investment insurance coverage will be available to or subscribed by the Company in relation to future investments in these and other countries where the Company may invest.

In these countries, the Company must comply with mining laws governing exploration, mining, processing and marketing of minerals, as well as mineral agreements in some cases. These laws are generally similar in effect to comparable laws in North American jurisdictions. Non-compliance with these standards and agreements may entail fines for the Company or the suspension or cancellation of operating permits. The Company believes that it is in substantial compliance with all legislation, regulations and administrative standards applicable to its activities.

In Suriname, illegal miners have been working on the Company's properties despite the fact that the Company has hired security personnel to protect its properties. The issues of illegal miners could lead to project delays and disputes regarding the development or operation of commercial gold deposits.

In the event of a dispute arising at our foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental entity because of the doctrine of sovereign immunity.

Insurance and Mining Activities

The Company carries insurance against property damage and comprehensive general liability insurance for all operations. It is also insured against gold and silver bullion thefts and losses of goods in transit. The property damage insurance policies include coverage for business interruption resulting from an insured loss.

Risks not insured against include mine cave-ins, mine flooding or other comparable hazards. Furthermore, there are risks attributable to most types of environmental pollution against which the Company cannot insure or against which it has elected not to insure. The Company believes that it has taken adequate precautions to minimize the risk of environmental pollution.

Underground mining is generally subject to certain types of risks and hazards, including unusual or unexpected rock formations, underground cave-ins, pressures and other conditions. Open-pit mining is also generally subject to various types of risks and hazards, the greatest being pit wall failure.

As a result of the main tailings dam failure at Omai in 1995, claims for compensation had been made against OGML. More than 95% of these claims have been settled as of the date hereof and the remaining portion will be settled in a near future; The representative-action claiming the Guyanese equivalent of US $100 million was dismissed on February 12, 2002**.** See "Recent Developments". Additional information regarding OGML and the Omai mine is set forth in the AIF under subsection 4.3.1 of Item 4(B) and section 2.1 of Item 4(D).

Compliance with environmental regulations

New or expanded environmental regulations, if adopted, could affect the Company's projects or otherwise have a material adverse effect on its operations. As a result, expenditures on any and all projects, actual production quantities and rates and cash operating costs, among other things, may be materially and adversely affected and may differ materially from anticipated expenditures, production quantities and rates, and costs, and estimated production dates may be delayed materially, in each case. Any such events would materially and adversely affect the Company's business, financial condition, results of operations and cash flows.

Litigation

The Company is subject to various claims, legal proceedings, potential claims and complaints arising in the normal course of business. The Company is also subject to the possibility of new income tax and mining duty assessments for some years. The Company believes that unfavourable decisions in any pending proceedings or the threat of proceedings related to any future assessment or any amount it might be required to pay will not have material adverse effect on the Company's financial condition, but might be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period. For a more detailed description of litigation involving OGML, see "Recent Developments".

LEGAL MATTERS

Certain legal matters relating to the Underlying Shares and the Underlying Warrants distributed under this prospectus will be passed upon on behalf of the Company by Lavery, de Billy, general partnership, and on behalf of the Underwriters by Cassels Brock & Blackwell LLP. As of the date hereof, the partners and associates of Lavery, de Billy, as a group, and the partners and associates of Cassels Brock & Blackwell LLP, as a group, each own beneficially, directly or indirectly, less than 1% of the Common Shares in the aggregate.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Raymond Chabot Grant Thornton, general partnership, Chartered Accountants, National Bank Tower, 600 de la Gauchetière West, Suite 1900, Montréal, Québec, H3B 4L8. The transfer agent and registrar for the Common Shares is CIBC Mellon Trust Company at its principal offices in Montréal and Toronto.

CONTRACTUAL RIGHT OF RESCISSION

In the event that a holder of Special Warrants, who acquires Underlying Shares and Underlying Warrants upon the exercise or deemed exercise of the Special Warrants as provided for in this prospectus, is or becomes entitled under applicable securities legislation to the remedy of rescission by reason of this prospectus or any amendment thereto containing a misrepresentation, such holder will be entitled to rescission not only of the holder's exercise of the Special Warrants but also of the private placement transaction pursuant to which the Special Warrants were initially acquired, and will be entitled in connection with such rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrants. In the event such holder is a permitted assignee of the interest of the original purchaser of the Special Warrants, such permitted assignee shall be entitled to exercise the rights of rescission and refund granted hereunder as if such permitted assignee were the original purchaser. The foregoing is in addition to any other right or remedy available to a holder of the Special Warrants under section 130 of the *Securities Act* (Ontario) or otherwise at law.

STATUTORY RIGHTS OF WITHDRAWAL

Securities legislation in certain of the provinces of Canada provides with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus or any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the prospectus or any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE COMPANY

Dated: March 12, 2002

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities laws of Ontario, British Columbia and Alberta, For the purposes of the Province of Québec, this short form prospectus, as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value of the market price of the securities to be distributed.

(Signed) Louis P. Gignac
President and Chief Executive Officer

(Signed) Bryan A. Coates
Vice-President, Finance
and Chief Financial Officer

On behalf of the board of directors

(Signed) Guy Dufresne, Director

(Signed) Michel Gaucher, Director

CERTIFICATE OF THE UNDERWRITERS

Dated: March 12, 2002

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities laws of Ontario, British Columbia and Alberta. For the purpose of the Province of Québec, to our knowledge, this short form prospectus, as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value of the market price of the securities to be distributed.

SPROTT SECURITIES INC.

(Signed) W. Jeffrey Kennedy

NATIONAL BANK FINANCIAL INC.	SCOTIA CAPITAL INC.
(Signed) John Lydall	(Signed) J. Paul Rollinson