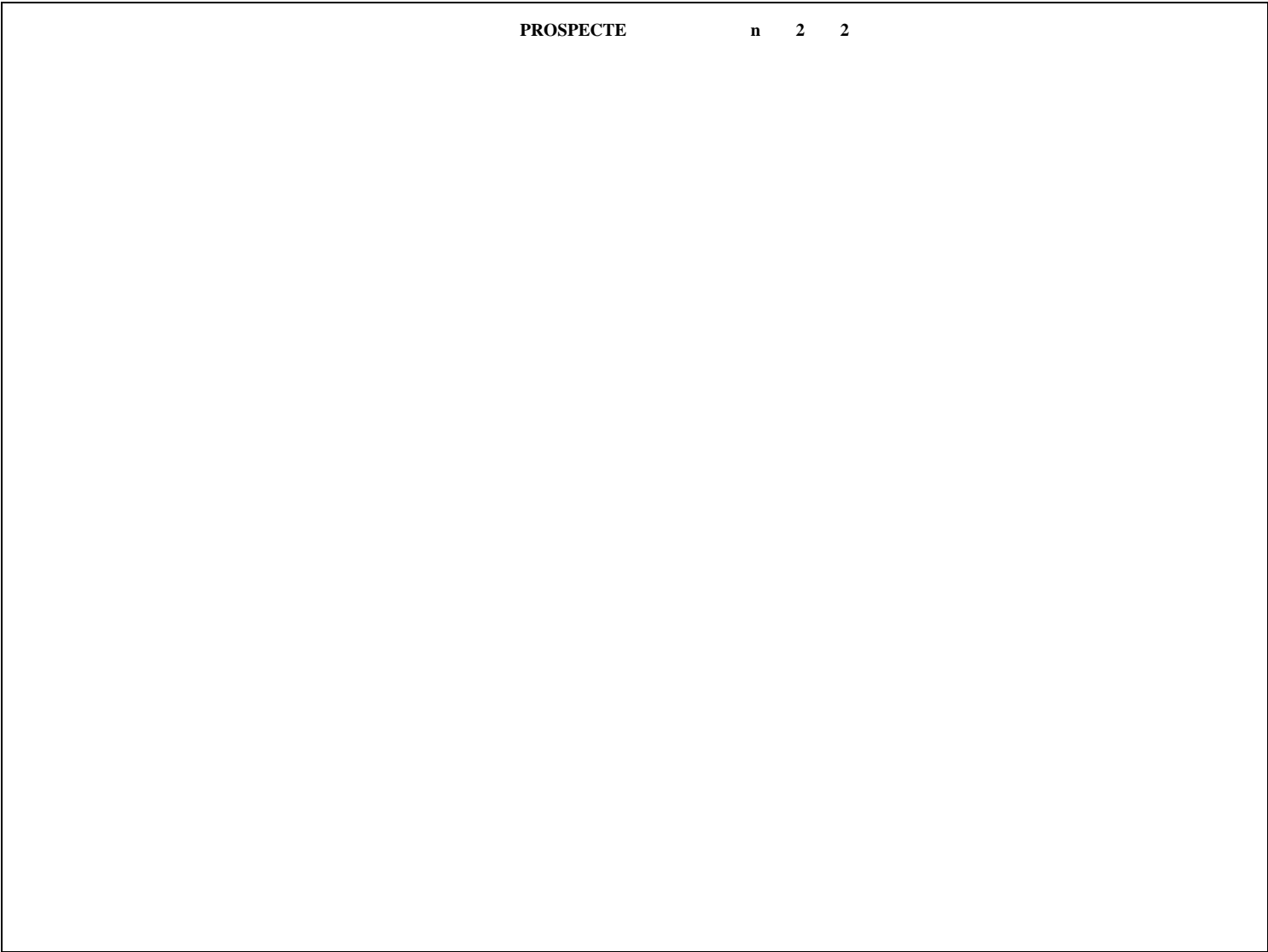
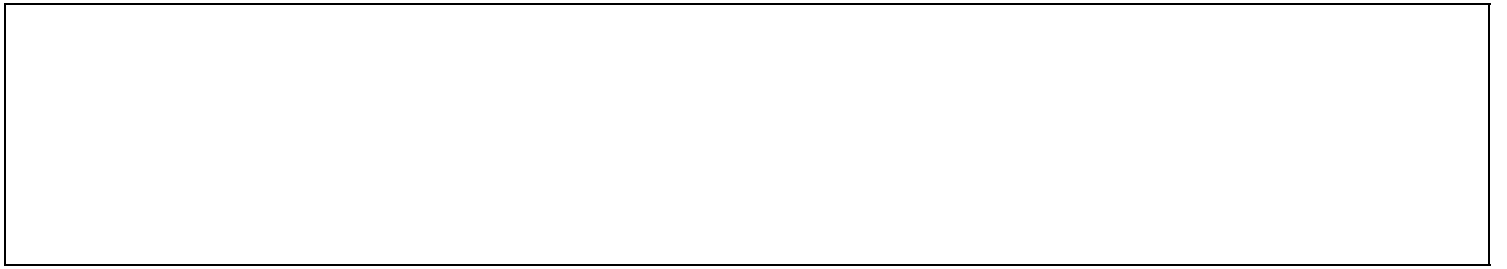


- our ability to successfully diversify our product mix and add new customers beyond our traditional blast

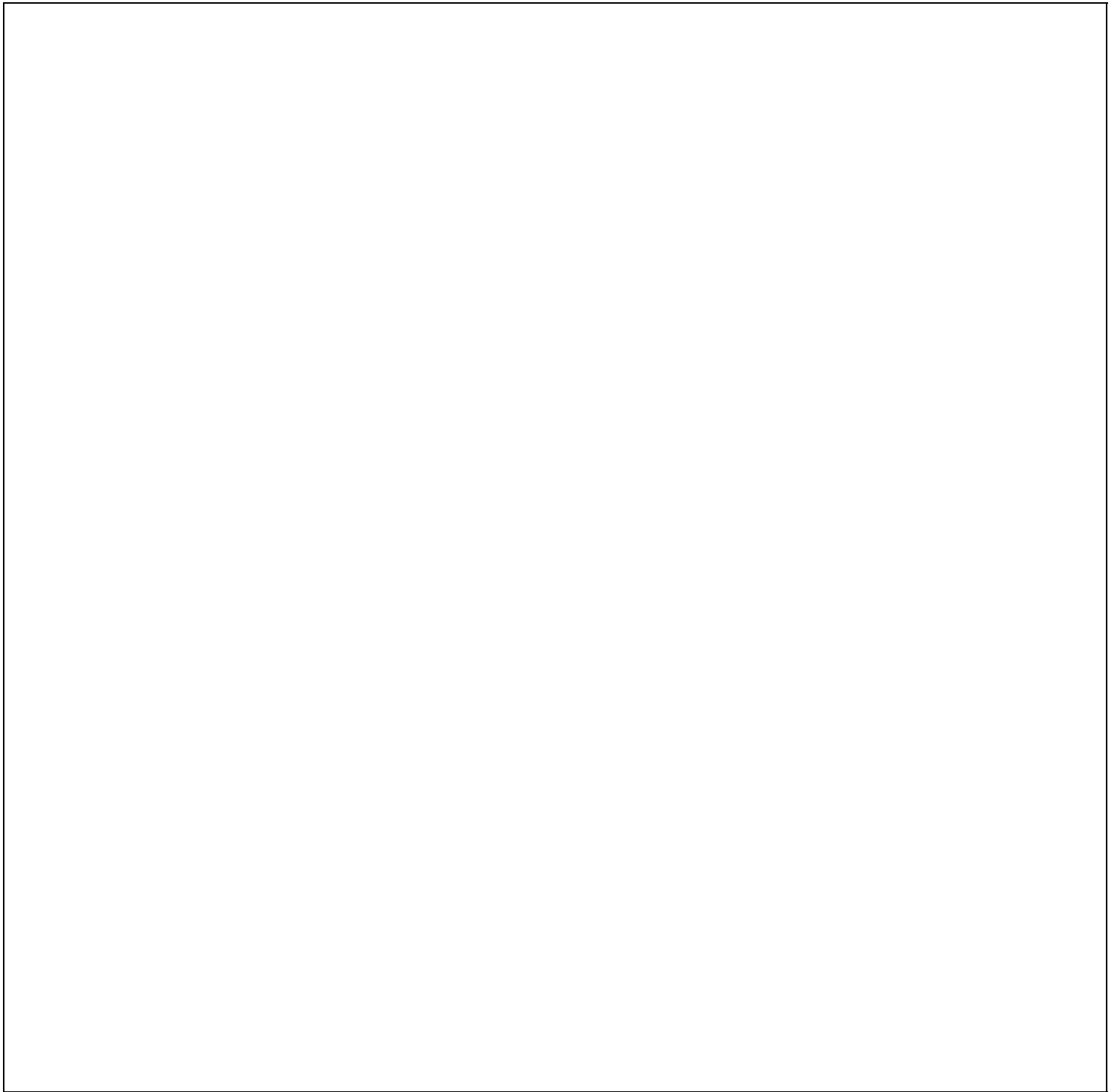


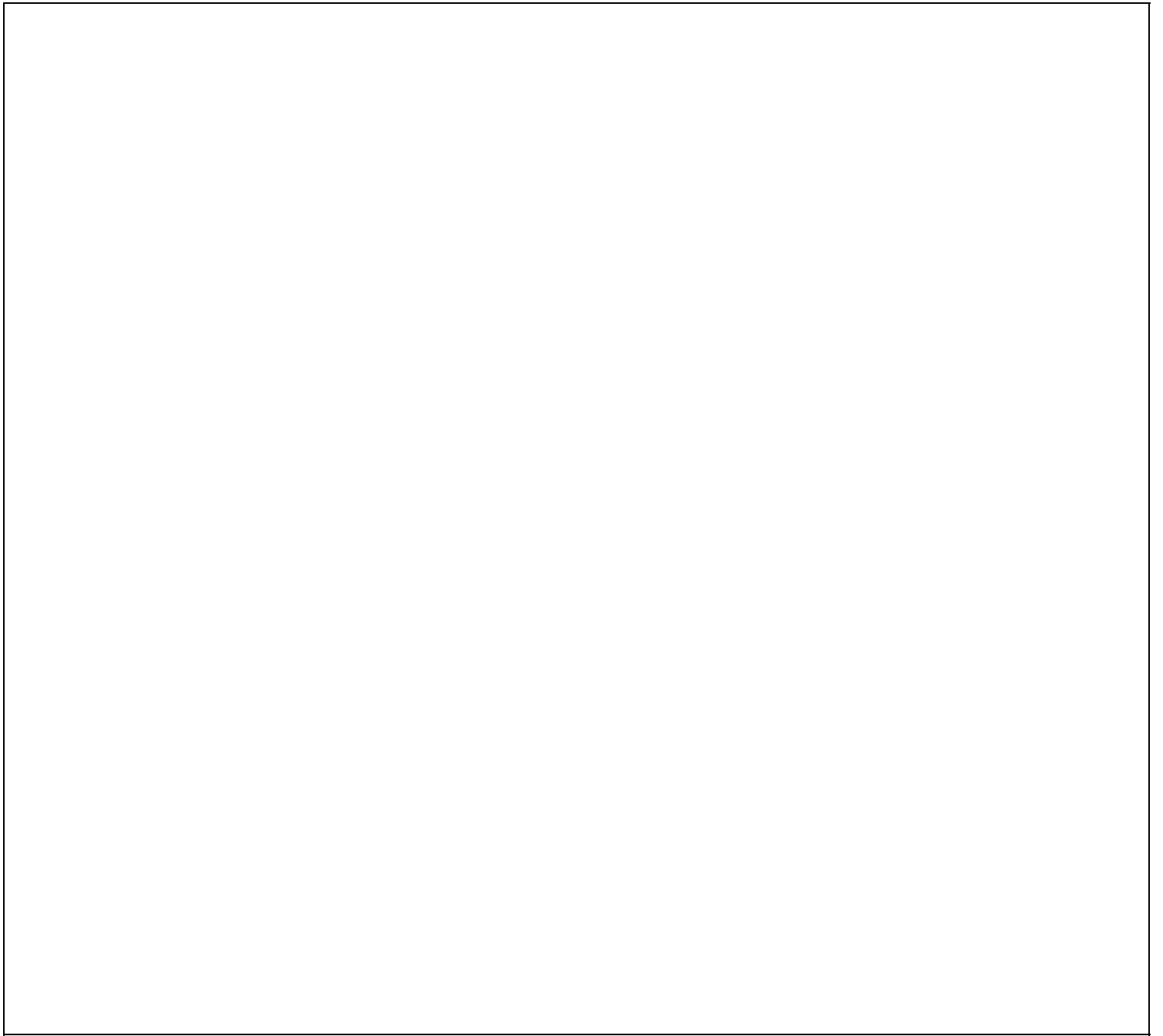






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the conversion rate was increased such that $h_{00} \approx u$

RISK FACTORS

An investment in our common shares involves risk. Prior to making any decision about investing in our common shares, you should carefully consider the following risk factors, as well as the risk factors discussed in our Annual Report on Form 10-K.

payments to service our debt. If we incur significant losses in future periods, we may be unable to continue as a going concern. If we are unable to continue as acon.

Our ability to c tδ ~ _



recognize the costs of reclaiming open pits, stockpiles, tailings ponds, roads and other mining support areas based on the estimated mining life of our property. If we were to

We continually must replace reserves depleted by production. Exploration activities may not result in additional discoveries.

Our ability to replenish our ore reserves is important to our long-term viability. Depletexsore reservessmutsbe

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- acquisitions or strategic alliances by us or our competitors;
- short sales, hedging and other derivative transactions in our common shares;
- the operating and stock price performance of other companies that investors may deem comparable to us; and
- other events or factors, including changes in general conditions in the United States and global economies or financial markets (including those resulting from acts of God, war, incidents of terrorism or responses to such events).

In addition, in recent years, the stock market has experienced extreme price and volume fluctuations. T

U.S. federal income tax may be imposed on any gain recognized by a non-U.S. holder on a sale, exchange or other taxable disposition of our common shares if we are a "United States real property holding corporation."

We believe we currently are likely a "United States real property holding corporation," or

USE OF PROCEEDS

We estimate that we will receive net proceeds with the U



PRICE RANGE OF

[Redacted]

[Redacted]

[Redacted]

DIVIDEND POLICY

For the foreseeable future, we intend to retain any earnings to finance the development of our business and do not anticipate paying any dividends on our common shares. Payment of dividends on our common shares will be made at the discretion of our board of directors and dependent upon then-existing conditions, including our operating results and financial condition, capital requirements, contractual restrictions, business prospects and other factors that our board of directors may deem relevant. To, businde

DESCRIPTION OF C



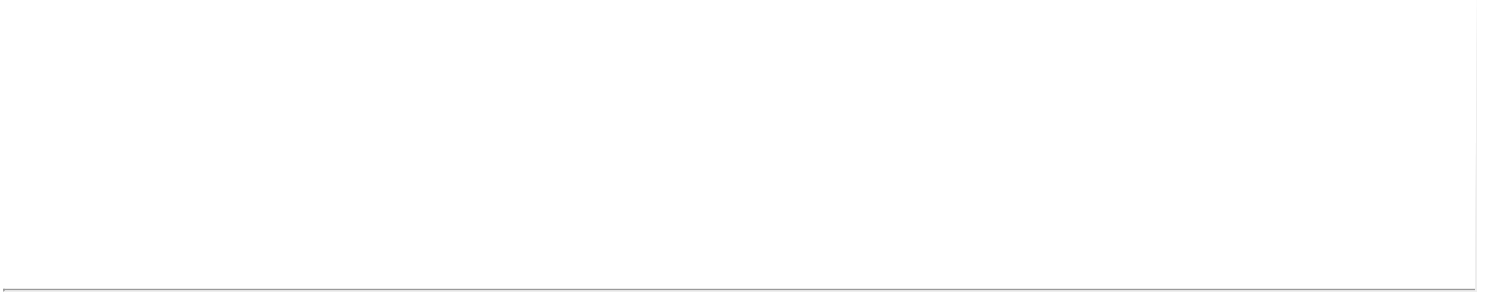
Class A Preferred Stock

Dividends

The holders of Class A Preferred Stock of each series, in preference to the holders of common shares and of any other class of shares ranking junior to the Class A Preferred Stock, shall be entitled to receive out of any funds legally available therefor and when and as declared by our board of directors, dividends in c 118

and tho





with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed under, and are subject to limitations and defences under, applicable Canadian securities laws.

or caused to be communicated (al mmun



Where the common shares are subscribed or purchased pursuant to an offer made in reliance on Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is— ~ Â
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