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**ALTIUS REPORTS ON IRON ORE IN LABRADOR***Favourable metallurgical results from Kamistiatusset project*

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**St. John's** - Altius reports progress from ongoing iron exploration on its projects in western Labrador's iron ore mining district. Altius has been actively exploring for iron ore in the area since 2003 and is now the second largest holder of iron ore exploration licences in the district.

**Kamistiatusset**

Altius has received positive metallurgical results from a test program of the beneficiation characteristics of magnetite-rich iron formation from its wholly-owned Kamistiatusset iron ore project in Labrador. The project is located 10 km southwest of Wabush Mines' Scully mine in the heart of the iron ore mining district. Previous drilling highlights include 31.65% iron over 100.3 metres. For detailed drilling and analytical data, see ([www.altiusminerals.com/kamistiatussett.php](http://www.altiusminerals.com/kamistiatussett.php)).

The final report from SGS Lakefield (<http://www.altiusminerals.com/files/2009-SGS-Kami%20Rpt.pdf>) regarding bench-scale testing of a single sample from the Kamistiatusset property includes results of preliminary grindability and beneficiation through low-intensity magnetic separation and Mozley gravity separation on one 150 kilogram mini-bulk sample representing the magnetite-rich zone in iron ore. The detailed iron ore characterisation includes head assays, mineralogical characterisation and grindability testing. Highlights include:

- *The iron ore is 'very soft' at coarse size and hardness increase at finer size.* Rod mill and ball mill grindability tests yielded Rod Mill (RWI) and ball mill (BWI) Work Indices of 5.75 and 18.5 kWh/t, respectively.
- *The mini-bulk sample yielded 31.0% iron with 19.1% iron in magnetite (Satmagan) in the head assay.*
- *A high proportion of the iron is potentially recoverable as iron oxides.* QEMSCAN™ work has identified approximately 97% of the total iron occurring as an oxide (magnetite or hematite) and iron oxide liberation is very high throughout all the grind size fractions tested (below 425 microns), meaning a high proportion of the iron can potentially be recovered in a concentrate.
- *Iron recovery is promising at all grinding sizes.* Mozley gravity separation indicates all size fractions achieved very good grade at good recovery, which confirms the high degree of iron oxide liberation observed in the QEMSCAN™ work.
- *Iron can be recovered by a combination of magnetic and gravity separation.* Bench scale combined low intensity magnetic separation (LIMS) and gravity separation (Mozley) test work produced a concentrate grade of 67.5% iron with 3.0% SiO<sub>2</sub>, with 70.1% of the iron as magnetite (Satmagan).

More rigorous metallurgical testing will be required to validate these preliminary results. In addition, permitting is underway for an expanded drill program as required to estimate potential mineral resources at the Kamistiatusset property. Altius is presently soliciting expressions of interest in this iron ore exploration project.

**Snelgrove Lake**

The Snelgrove Lake project is located approximately 50 kilometres southeast of the past-producing Schefferville iron ore mining district. A prominent ridge of iron formation was previously identified by Labrador Mining and Exploration Limited in the period of 1940-1960 and occurs on the property over a strike distance of approximately 40 kilometres.

**Civic Address:**

Altius Minerals Corporation  
Suite 202, 66 Kenmount Road  
St. John's, NL, A1B 3V7, CANADA

**Website:** [www.altiusminerals.com](http://www.altiusminerals.com)**Toll Free:** 1.877.576.2209**Fax:** 709.576.3441**e-mail:** [info@altiusminerals.com](mailto:info@altiusminerals.com)**Mailing Address:**

Altius Minerals Corporation  
P.O. Box 8263 Stn "A"  
St. John's, NL, A1B 3N4, CANADA

In 2008, a fixed-wing airborne survey was commissioned by Altius. The combination of the magnetics data and 2008-09 mapping and sampling of iron formation that intermittently outcrops along high ridges has provided encouraging results for potential iron resources. Iron values are typical of taconite iron formation in the region. One hundred seventeen grab samples of iron formation yielded a median value of 32% iron.

The results of a preliminary metallurgical study by SGS Lakefield include a grindability test yielding a Rod Mill Work Index (RWI) of 18.6 kWh/t, which is categorized as 'very hard'. Also, the mini-bulk sample yielded 31.6% iron with 10% iron in magnetite (Salmagan) in the head assay.

The Snelgrove Lake project also hosts the potential for significant areas of higher-grade iron ore. Analytical results from grab samples indicate several zones of enriched iron formation in the range of 55% to 64% iron that may have potential for relatively low-cost direct shipping ore. These areas will be the focus of ongoing exploration efforts.

### **Labrador West Kennecott Option**

Kennecott Canada Exploration Inc., a member of the Rio Tinto group of companies, signed an exploration and royalty agreement with Altius in December 2008 regarding eight licences covering 24 iron ore occurrences in the western Labrador mining district. Since then, Kennecott, as project manager, has conducted early stage exploration activity including remote sensing and ground follow-up. Kennecott may earn up to a 70% interest in the licences in stages by spending up to C\$7 million in exploration within five years. Altius retains a 3% Gross Overriding royalty of which 1% may be purchased for C\$10 million on or before the tenth anniversary of the agreement.

Lawrence Winter, Ph.D., P.Geo., Vice-President of Exploration for Altius, is the qualified person responsible for the technical data presented in this release.

### **About Altius**

*Altius is focused on the mining and resources sector through prospect generation, the creation and acquisition of royalties and investments. The Corporation has a strong financial position with approximately \$133 million in cash and liquid investments and no debt. Altius owns an effective 0.3% net smelter return in the producing Voisey's Bay nickel-copper-cobalt mine located in Labrador, Canada and has numerous active mineral exploration agreements principally in eastern Canada targeting a variety of mineral commodities. In addition, the Corporation holds 9.4% investment stake in International Royalty Corporation. Altius is a member of the TSX SmallCap index and currently has 28,319,895 shares outstanding.*

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**For further information regarding this news release please contact Chad Wells at 1.877.576.2209**

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*The term 'iron ore' is commonly used mining industry terminology for iron oxide-rich rocks and its use here only implies the presence of iron mineralization, not necessarily 'ore', which may or may not have economic resource potential. 'Iron formation' is the geological term which refers to the general iron mineral-bearing sequence.*

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