



VERMICULITE EXECUTIVE REPORT

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World vermiculite market is becoming more challenging

Today's vermiculite processors operate in a complex business environment. Along with their normal efforts to provide effective solutions for their customers, processors must deal with variables such as increased fuel costs for processing operations, escalating freight costs, and world currency fluctuations -- in some cases bordering on instability.

In such a difficult environment, vermiculite processors need to know they can count on quality control regarding both product and logistics. Processors want to be able to answer "yes" to each item in the following checklist:

- Very high purity of product
- Absolute delivery reliability
- A stable country of product origin
- Highly respected status for supplier within host country
- Extensive supplier vermiculite reserves
- Virtually unlimited supply of coarse/medium grade
- Delivery options -- such as bagged or loose in containers
- Deep global market reach of supplier
- Consumer-appealing appearance of exfoliated product
- High nutrient content, such as available magnesium
- High cation rate
- Extremely low sodium content
- Organic certification

If you are already using IBI's new cuboidal-shaped Namekara Premium Golden Vermiculite from our Canmin Resources Limited subsidiary in Uganda, you have been able to answer "yes" to each item in the above checklist. If you would like to try working with our product, we can arrange for test lots.

Fuel processing savings possible with use of Namekara vermiculite

One of IBI's customers reports that our coarse grade Namekara vermiculite exfoliates well in the furnace when processed at temperatures as low as 400 Degrees C compared with the usual 800 Degrees C recommended for regular vermiculite. This is a function of the thinness of Namekara vermiculite flakes.

In addition, IBI has found that fuel consumption efficiency can be improved and better exfoliation results obtained by (1) drawing IBI's vermiculite out the bottom of the furnace instead of blowing it out the top and (2) by also redirecting the normally top-vented exhaust heat to pre-heat the incoming material to 200 Degrees C before it reaches the furnace hot zone.

R&D expands the potential of vermiculite in agriculture

IBI recently received a favourable early report on its Namekara vermiculite from the National Research Council in Canada. The report concerned a research program to study and scientifically validate the performance of Namekara vermiculite on a specific agricultural crop. Initial test results have confirmed positive growth and prospective yield enhancement with the use of Namekara vermiculite.

IBI's overall research and development programs involving Namekara vermiculite are coordinated by Dr. Peter van Straaten, Associate Professor, University of Guelph, Department of Land Resource Science, with whom IBI has a strategic alliance.

Dr. van Straaten is a world-renowned agrogeologist and is internationally recognized for his work in optimizing the potential of tropical soils through the application of locally available agromineral resources.

Consumers very interested in the "story" of vermiculite

Consumers at the retail horticultural and agricultural level are fascinated by the origins, properties and uses of vermiculite.

A retail-oriented consumer information session can be a good way to tap into this interest and stimulate consumer sales.

IBI Corporation, which supplies Namekara Premium Golden Vermiculite to agricultural and horticultural value-added processors, recently held an information session at a small town/rural Ontario garden center/feed store. The store was holding an open house highlighting its new showroom and had asked IBI to participate with a booth at the store's entrance featuring our vermiculite.

Our exhibit included background information on vermiculite and its uses, as well as clear plastic sample bags of our exfoliated material. Although we had a large quantity of samples and literature, interest was so high that we ran out of both before the store's open house was over.

We talked with a wide variety of the store's customers who ranged from people wanting to improve their gardens to farmers eager to obtain higher crop yields. These customers were anxious to learn more about vermiculite and many wanted to get quantities of vermiculite for their flower and vegetable growing.

Demonstrations can boost your sales of vermiculite

Consumers and commercial growers alike want to grow healthier and more robust plants, whether these are horticultural or agricultural.

One way to illustrate the growth-enhancing properties of vermiculite to potential customers is to demonstrate it with plants grown in trial pots, some using soil enriched with vermiculite and some using plain soil as a control.

For an even more dramatic effect, consider having a small garden plot outside in which flowers and/or vegetables are growing in a soil blend enriched with vermiculite.

Namekara:

A new kind of vermiculite

IBI/Canmin:

A new kind of vermiculite supplier

When you buy from IBI/Canmin, you and your customers can be assured that our vermiculite is both mined and processed in accordance with an extensive environmentally proactive mining practices and land management stewardship program.

IBI/Canmin, for example, has instituted a progressive lands-reclamation system at its Namekara mine site, which includes growing a variety of agricultural crops. In addition, as part of IBI's social responsibility program, some of the crops, such as banana, are given to local residents.

To receive a sample of our Namekara Premium Golden Vermiculite concentrate please e-mail your request to Dennis Mellersh at D.Mellersh@IBInvest.com or call Dennis at 416-754-4454.

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