

EVENT: POLARIS MINERALS CORPORATION Q1 RESULTS  
CONFERENCE CALL  
TIME: 11H00 E.T.  
REFERENCE: POLARIS MINERALS CORPORATION-CC-052907  
LENGTH: APPROXIMATELY 17 MINUTES  
DATE: MAY 29, 2007

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OPERATOR: Good morning, ladies and gentlemen. Thank you for standing by. Welcome to the Polaris Minerals Corporation first quarter results conference call. At this time, all participants are in a listen-only mode. Following the presentation, we will conduct a question-and-answer session. Instructions will be provided at that time for you to queue up for questions. If anyone has any difficulties hearing the conference, please press \*0 for operator assistance at any time.

I would like to remind everyone that this conference is being recorded today, Tuesday, May 29th, 2007 at 11:00 a.m. Eastern time.

I will now turn the conference over to Mr. Marco Romero, CEO. Please go ahead, sir.

MARCO ROMERO (President and Chief Executive Officer, Polaris Minerals Corporation): Good morning. My name is Marco Romero and I'm the President and CEO of Polaris Minerals Corporation. I'm pleased to welcome you to our 2007 first quarter results conference call during which my colleagues, Herb Wilson, David Singleton, and I will update you on the progress being made by Polaris as the Orca Quarry on Vancouver Island, at the Richmond Terminal in California and in our target markets.

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Lisa Dea, our CFO, is with us as well to answer any questions you may have about our financial statements.

Before starting, I am once again required to advise you that during the course of the conference call there may be forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the company or industry to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Unfortunately, we still do not own a crystal ball that actually works. Here we go. There have been some monumental developments in the construction aggregates industry since we last spoke and I want to spend a minute on one of them.

HeidelbergCement, the large German-based building materials company, has agreed to purchase Hanson PLC, the British-based major international construction aggregates company for over \$15 billion. The deal was priced at 12.8 times trailing EBITDA and 30 per cent higher than the share price of Hanson when rumours of a takeover by Heidelberg began circulating about a month ago. This is a heady valuation and we believe that it reflects the increasing value of scarcely available aggregates

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resources around many urban centres around the world, particularly in the U.S. and the U.K. The cost of aggregate reserve replacement clearly continues to rise.

There is an interesting west coast connection to the proposed Hanson acquisition. Heidelberg owns and operates the Sechelt coastal quarry, currently Canada's largest sand and gravel producer. And it is a significant exporter to California. Its sole client and distributor in the U.S. since 2001 has been Hanson who in turn operate a large receiving terminal at Pier 94 in San Francisco Bay and receives aggregates from B.C. and they also utilize two other small ones in southern California that receive barge materials from Mexico.

The HeidelbergCement-Hanson combination consolidates the Sechelt California logistical chain, creating an integrated production and distribution unit similar to the one that Polaris has already started to build well ahead of anyone else.

Importantly for us, this doesn't add production capacity on this coast and therefore we don't see this transaction as affecting our business other than it continues to validate our business model.

I am pleased to report that the Orca Quarry is performing very well and that customers are getting excellent results with our aggregates. The

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Orca products recently underwent a series of independent tests to confirm their quality for the government of California. The results were exceptionally good. Consequently, the California Department of Transportation has added the Orca Quarry products to its pre-qualified materials listing.

With this recognition, the Orca Quarry has become an approved source of aggregates for department projects, no small feat here. It is only the ninth quarry to be so recognized and the only non-U.S. quarry. These results and the accompanying endorsement from our customers highlight what we have known all along: this deposit is without peer on the west coast.

Just yesterday, I spent some time at the Orca Quarry and one of the things that most impressed me was learning that our young and highly motivated operating team has collectively chalked up over 6,000 hours of training since they began joining our team in early 2006. Given the performance of the team during the start-up, it is evident that this investment is paying off handsomely for Polaris.

I'm also happy to report that construction of the Richmond Terminal is proceeding very well, albeit a little behind our most recent schedule. We now expect completion by the end of September. The massive facilities

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and building are really taking shape, as can be seen on the recent photos that we posed on our website.

Herb Wilson will provide you with greater details on the Richmond construction progress in a moment.

On April 25th, we received unanimous support from the Redwood City Port commissioners for our mitigated and negative declaration application for our proposed Redwood City Terminal. This is a very important step forward in the permitting process for this valuable new gateway for our products. We anticipate that the remaining steps in the permitting process could take a few more months to complete. Our goal remains to construct and commission this facility during 2008.

I am sometimes asked what our principal concerns are and which are the greatest risks we face. Well, my principal worry revolves around California Port Terminal capacity. Not that we're not making progress there. It's just a little nerve-wracking at times. We're within reach of having terminal capacity to take us to our initial target of six million tonnes per year. However, in my opinion, the greatest impediment to growing this company past this volume and building it into an even larger aggregate supplier is the challenge involved in securing additional receiving port terminal capacity in California. And we are very hard at work on that.

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Customer interest in our products is very strong in several markets. Our ability to produce excellent quality aggregates very competitively is unequal on the west coast and the logistical arrangements that we have made with CSL are extremely efficient. But we still need more port terminals, sites where we can land our products. Securing additional port capacity in our target markets is our number-one priority.

If we are successful and our efforts lead to increased access to port capacity, you should interpret that as a green light in our race to become a major coastal aggregate producer.

We have initiated a review of our development options of our proposed Eagle Rock Quarry with the objective of accelerating its development schedule. We remain confident that Eagle Rock will one day become a major supply of marine transported, high-quality aggregates, focused predominantly on the road construction business.

We hope to have more to report to you on this front later in the year.

In closing, and I'm very pleased that in the last few months, we have commenced regular shipments of sand and gravel into the Vancouver area and into San Francisco Bay. After a relatively smooth commissioning phase, the Orca Quarry's plant and ship-loading facilities are running very well and the material produced is consistently of a very high quality.

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From hereon out, the simplicity of the quarrying and processing and processing should make operational performance quite routine, which is just the way we want it. Looking ahead and in the near term, we will be devoting a great deal of time and energy towards securing terminal capacity as I have stated earlier, and additional customer relationships.

I will look forward to reporting to you on continuing progress for the second quarter. The coming weeks and months should be very productive for us.

Herb Wilson, Polaris's Chief Operating Officer, will take it from here. Thank you.

HERB WILSON (Chief Operating Officer, Polaris Minerals Corporation): Good morning, everyone. I'm Herb Wilson, as Marco said, and I'd like to begin with a few comments on the Orca sand and gravel quarry, which Marco has already touched upon when he referred to the high quality of the product, which as we always expected, are meeting the highest standards in the market.

Getting such a large new operation off the ground always presents challenges. However, no significant issues have emerged and the overall design and concepts for the operation has now been well vindicated. I'm extremely pleased with the progress and sometimes it's hard to remember

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that it's only three months since we first started processing material. Very large ships and small barges are both being loaded with ease and our workforce, as Marco commented, has risen to the challenge of learning to operate this large and sophisticated processing and ship loading facility.

The process of fine-tuning the operation is advancing well. Naturally, we have identified areas for further attention and our focus is now on productivity improvements in order to maximize our cost efficiency. We are well prepared for an anticipated acceleration in our sales rate. Rather perversely for an operation in Fort McNeil, which listeners will appreciate is a very wet part of the world with rain as the default weather condition, the one issue we have identified is the need to increase process water storage in anticipation of lower summer groundwater flows. Not a large capital item and easily dealt with. Just a little unexpected, but there has to be something in building an operation of this size.

Turning to the Richmond, California terminal construction site, progress continues to be rapid as many listeners may have had the opportunity to see in the photos posted to our website only yesterday. All major civil engineering and foundation works are complete and the frame of the large storage building is about one half erected. By Saturday of this

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week, which is June the 2nd, the roof trusses will all be in place and cladding of the building will begin.

Our mechanical and electrical contractor, Terra Nova Technologies, from San Diego, has begun to receive major steelwork sections for the large material handling conveyors which are coming from China. A lay down area has been secured in the neighbouring port of Oakland where these large steel sections are stored prior to delivery to site.

The terminal area is very congested in view of its compact size and this has presented quite a logistical challenge for the construction; although in operating terms, this compactness represents a cost efficiency.

Marco has already noted that we now expect completion of the facility around the end of September. This is a slight delay and it's simply a function of the availability of the steel work from China which proved, and indeed, this was the case for sections of the Orca project, China proved to be the only source capable of fast-tracking the large steel fabrication element.

I should close on Richmond by noting that the site has been developed with no environmental issues arising whatsoever, despite being in this most sensitive bay side area. And such investments must now represent this new standard for bulk aggregate handling terminals in the

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heart of California's coastal cities. It is very gratifying for me to be involved in such a development.

Thank you. And I'd now be pleased to hand over to my colleague, David Singleton.

DAVID SINGLETON (Director, Polaris Mineral Corporation): Good morning, everybody. David Singleton indeed. I'm President of Eagle Rock Aggregates. We are responsible for looking after the marketing end and I'll add just a little bit to what perhaps Marco and Herb have already said, particularly with this successful second shipment of sand and gravel from Orca which entered the San Francisco Bay on May the 18th, 2007.

We've rapidly established an efficient working relationship with Shamrock Materials, our North Bay ready-mix concrete customer.

Now Shamrock's fleet of barges carried materials discharged from the CSL Acadian to a marine aggregate terminal situated on the Petaluma River at Petaluma. From there, Shamrock distributes sand and gravel by road to their various North Bay ready-mix concrete plants. The remainder of the second cargo proceeded to Redwood City to meet the requirements of our second customer.

From June through December 2007, we anticipate regular shipments into the San Francisco Bay which, together with continuing barge

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deliveries to Vancouver, combine to give a strong start to our overall sales efforts.

We're now achieving balanced and consistent product from the Orca processing plant, as Herb has outlined, and I'm pleased to further confirm Marco's comments that our customers are really appreciating the quality of the Orca sand and Gravel in terms of its strength, durability, cement saving, reduced wear and tear on mixing plant, the ease of pumping and placing, and very importantly, the ease of finishing the wet concrete when it's placed within the final formworks.

Looking forward, I believe that we'll continue to build sales within the San Francisco Bay area, to be assisted considerably by the commencement of distribution through the Richmond Terminal; and secondly, by the eventual construction of the Redwood City Terminal, which we hope to have completed later in 2008.

We've long recognized the vital importance of barge capacity to enable shallow-drafted locations to be served economically. Accordingly, we formed a close relationship with one of the leading barge-and-tug operators within the Bay. By working together, we'll enhance sales and introduce a significant degree of flexibility in our ability to maximize the

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carrying capacity of each and every Panamax journey between Vancouver Island and California.

As the first stage of our development begins to settle down, our attention is focused on securing access to or rights over new terminals in northern and southern California.

As we projected in 2001, the serious shortfall of indigenous aggregates, particularly in southern California, will challenge the aggregates industry to find solutions. Concerns are already being expressed by infrastructure engineers who see basic aggregate shortages, particularly in certain study areas in the State, as a potentially limiting factor in development capability for which federal and state funding is already in place.

For Polaris, the opportunity to grow Orca sales and develop Eagle Rock Quarry is not primarily therefore a function of market demand. Rather, it is the securement of terminals through which resource-starved markets can be served.

At a public hearing on April the 25th, 2007, Eagle Rock Aggregates mitigated negative declaration application for the proposed second marine aggregates terminal to be located in the Port of Redwood City received the unanimous vote of support from the Port's commissioners. This was a

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significant step forward which enables us to continue the building permit process.

It's no coincidence that one of the aggregate study areas identified by the Department of Conservation in California with the greatest future need for aggregate is the south San Francisco Bay. Equally, intensive efforts are being made to establish terminals in the Los Angeles ports and the port of San Diego where acute shortages of available supplies and corresponding high prices of long-haul materials already impact these crucial markets.

We will, of course, keep you advised of the progress we hope to make over the coming months.

Now, with that, I'm pleased to hand you back to Marco.

MARCO ROMERO: Thank you very much, David and Herb. At this stage I'd like to open the lines for questions, please.

OPERATOR: Thank you. Ladies and gentlemen, we will now conduct the question and answer session. If you have a question, please press the \* followed by the 1 on your touchtone phone. You will hear a tone acknowledging your request. Your questions will be polled in the order they are received. Please ensure you lift the handset if you are

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using a speakerphone before pressing any keys. One moment, please, for your first question.

Mr. Romero, there are no further questions at this time. Please continue.

MARCO ROMERO: Well, I guess there are no surprises here either. Well, I would like to thank you all for attending our call. I urge you to keep an eye on us. We are hard at work to make progress in the next few months and hopefully, we'll be able to report on quite a bit of that.

Thank you very much.

OPERATOR: Ladies and gentlemen, this concludes the conference call for today. Thank you for participating. Please disconnect your lines.

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